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SAN FRANCISCO PORT COMMISSION

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REGULAR MEETING
4:00 P.M., TUESDAY, JULY 11, 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - June 15, 2000 Special Meeting
   - June 27, 2000 Special & Regular Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

4. **CONSENT CALENDAR**

5. **MARITIME**

   ~~A.~~ Approval of First Amendment to Lease L-12657 with Waste Solutions Group for use of rail yard at Cargo Way. (Resolution No. 00-58) (Staff report provided to the Commission.)

CONTINUED TO THE NEXT MEETING

6. **REAL ESTATE**

   A. Approval of Fourth Amendment to Lease No. L-10446 with Kira Mikazon, an Individual, affecting Pier 33 South (The Embarcadero at Bay Street). (Resolution No. 00-44) (Staff report provided to the Commission.)

   B. Approval of five (5) year lease with Big C Traders at Pier 23, San Francisco Foreign Trade Zone Number 3 (The Embarcadero at Green Street) (Resolution No. 00-59) (Staff report provided to the Commission.)

7. **FACILITIES & OPERATIONS**

8. **PLANNING & DEVELOPMENT**

   ~~A.~~ Approval of Development Agreement with Rincon Park Restaurants, LLC for development of the Rincon Park Restaurant Site including the form of Ground Lease and approval of related modifications to the Design & Access Element of the *Waterfront Land Use Plan* (Resolution 00-60); and Approval of Schematic Drawings for the Rincon Park Restaurant Site (Resolution 00-61) (Staff report provided to the Commission.) NOTE: "This action is within the scope of: (1) the Rincon Point-South

CONTINUED TO THE NEXT MEETING

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Beach Redevelopment Plan Final Environmental Impact Report, certified November 5, 1980; (2) the Rincon Point-South Beach Redevelopment Plan Supplemental Environmental Impact Report, certified on August 15, 1991; and (3) the Port of San Francisco Waterfront Land Use Plan Final Environmental Impact Report, certified on January 9, 1997, which EIRs adequately described the project."

9. FINANCE & ADMINISTRATION

A. Authorization to Issue a Request for Proposals (RFP) to Software Vendors to provide the Port with a Property Management and Billing System. (Resolution No. 00-57) (Staff report provided to the Commission.)

10. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

11. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative.****

a. Property: Pier 15
Person Negotiating:
Port of San Francisco: Terry Picon, Director of Real Estate
*Electric Transit Inc.: Jack Gurecki

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Port property located at Pier 15.

b. Property: Pier 96
Person Negotiating:
Port of San Francisco: Terry Picon, Real Estate Director
*Operation USA/Hope: Neil Frame

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Port property located at Pier 96.

c. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning and Development.
*Municipal Railway: Kerstin Magary

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding the Western Pacific Property @ 25th & Illinois.

d. Property: Port Property located at Pier 30-32
Person Negotiating:
Port of San Francisco: Terry Picon, Real Estate Director
*Red's Java House: Steve Riley

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Red's Java House.

e. Property: Port Property located at Pier 9
Person Negotiating:
Port of San Francisco: Peter Dailey, Maritime Director
*Pacific Marine Dining Yachts: Garrett O'Doherty

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Pacific Marine Dining Yachts located at Broadway and Embarcadero.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED LITIGATION MATTERS:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (three cases).
___As Defendant _X_As Plaintiff

12. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

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JULY/AUGUST 2000

CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
July 11	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
July 20	1:00 p.m.	Port/BCDC Commission Joint Hearing	No. Light Court City Hall
July 25	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
August 8	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
August 22	4:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47, Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Pier 45 Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Liz Fitzgerald	274-0400

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ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

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MEMORANDUM

July 3, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice-President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: APPROVAL OF FOURTH AMENDMENT TO LEASE NO. L-10446 WITH KIRA MIKAZON, AN INDIVIDUAL AFFECTING PIER 33, SOUTH (THE EMBARCADERO AT BAY STREET).

DIRECTOR'S RECOMMENDATION: APPROVE OF FOURTH AMENDMENT TO LEASE NO. L-10446 WITH KIRA MIKAZON, AN INDIVIDUAL AFFECTING PIER 33, SOUTH (THE EMBARCADERO AT BAY STREET).

BACKGROUND:

In 1980, by Resolution No. 80-83, the Port Commission approved Lease No. L-10446 with Embarcadero Enterprises, Inc., a California corporation for Pier 33 South for a term of 30 years. The Port has subsequently approved three amendments to the Lease and an assignment of the Lease to the current tenant, Pier 33, Incorporated, a California corporation.

In 1995, the tenant requested a Third Amendment to Lease in anticipation of obtaining a loan to be secured by a mortgage on the leasehold. In the Third Amendment, the Port consented to the proposed loan, provided, however, that the Port could terminate the Lease in the future if it needed the Premises for a Port project. In order to exercise the termination right, however, the Port agreed to pay a "termination fee" to the lender of any loan secured by the Leasehold equal to the then outstanding principle balance of any loan. The Third Amendment capped the Port's obligation regarding this "termination fee" at $546,000.00. However, the provisions did not require any loan amortization, thereby permitting a situation whereby the Port could be responsible for the repayment of the entire loan amount of an "interest only" loan.

As additional consideration for the Port's consent, the Third Amendment modified the lease percentage rent clause by requiring the tenant to pay to the Port 30% of all gross receipts from the facility subtenants in excess of $27,500.00 per month (annualized $330,000.00). Although the loan anticipated by the 1995 amendment was never funded, the Third Amendment is still in effect.

On April 18, 2000, the Port Commission approved an Assignment of Lease No. L-10446 from Pier 33, Incorporated, a California corporation to Kira Mikazon, an individual (Port Commission Resolution No. 00-31). That assignment is contingent upon the approval by the Port Commission and the Board of Supervisors of the City and County of San Francisco of the proposed Fourth Amendment to Lease.

Overall, in consideration for approval of the assignment to Ms. Mikazon, the Fourth Amendment clarifies the Third Amendment and provides further protections to the Port. For example, under the existing Lease, the "termination fee" applies to any loans secured by the tenant at any time during the term up to $546,000. On the other hand, the proposed Fourth Amendment still caps the termination fee at $546,000 but applies it only to loans obtained before October 15, 2000. Also, the Fourth Amendment protects the Port better than the existing lease in the case of a "principal only" type of loan. This is because, the Port's obligation to pay a termination fee is limited to the amount left on the original loan balance (up to a total of $546,000) at the time of termination based upon a schedule of amortization over the remaining term of the lease regardless of the actual amount of the loan. As a further limitation on the Port's exposure, under the Fourth Amendment, the Port's termination fee is limited to loans secured between March 15 and October 15, 2000.

The proposed Fourth Amendment also requires that the amount of any percentage rents payable for the previous year become part of the minimum rent obligation in succeeding years. This is a significant benefit to the Port because it protects the Port from any cash flow loss resulting from an economic down turn. Although, to date, no percentage rent has been due or payable, that situation should soon change as the older long term office subleases no in effect expire and the subleased premises are relet at today's higher rates.

The proposed Fourth Amendment to Lease incorporates the new City Requirements implemented since the prior Lease amendment, including Non-Discrimination/Equal Benefits, Tropical Hardwood Ban, Pesticides Prohibition, Burma/Myanamar Business Prohibition and First Source Hiring.

If approved by the Port Commission, the proposed Fourth Amendment to Lease also must be approved by the Board of Supervisors of the City and county of San Francisco.

Recommendation: Port staff recommends approval of the proposed Fourth Amendment to Lease No. L-10446.

Prepared by: Nicolas J. Dempsey, Nicolas J. Dempsey, Senior Commercial Leasing Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-44

WHEREAS, Section B3.581 of the Charter of the City and County of San Francisco empowers the San Francisco Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, Kira Mikazon, the tenant under Port Lease No. L-10446 has requested certain modifications to Port Lease No. L-10446 to the benefit of future lenders; and

WHEREAS, Kira Mikazon has agreed to certain financial and material modifications to the lease in return for the Port's agreement to such lender friendly modifications; and

WHEREAS, Port staff has negotiated the terms of a proposed Fourth Amendment to Lease No. L-10446 on terms and conditions consistent with those outlined in the Memorandum to the Port Commission for Agenda Item 6A of the Port Commission meeting of July 11, 2000, a copy of which is on file with the Port Commission Secretary; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby approves the Fourth Amendment to Lease No. L-10446 on the terms and conditions contained therein and as outlined in the Memorandum to the Port Commission for Agenda Item 6A of the Port Commission meeting of July 11, 2000, in substantially such form of such Fourth Amendment to Lease No.L-10446 on file with the Port Commission Secretary; and be it further

RESOLVED, that the Port Commission authorizes and directs the Executive Director of the Port to forward the Fourth Amendment to Lease No. L-10446 to the Board of Supervisors of the City and County of San Francisco for its approval; and be further

RESOLVED, that the Port Commission authorizes and directs the Port Executive Director, after approval of said Fourth Amendment to Lease No. L-10446 by the Board of Supervisors of the City and County of San Francisco, to execute the Fourth Amendment to Lease No. L-10446 in such form as may be approved by the City Attorney, and to take such further action as is required to implement this Resolution, including making such further assurances and executing such additional documents as may be requested by the tenant or tenant's lenders in such form as is approved by the City Attorney, provided that the liability or obligations of the City or Port are not materially increased.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 11, 2000.

_____
Secretary

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PORT OF SAN FRANCISCO

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MEMORANDUM

July 6, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice-President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: APPROVAL OF FIVE (5) YEAR LEASE WITH BIG C TRADERS AT PIER 23, SAN FRANCISCO FOREIGN TRADE ZONE NUMBER 3 (THE EMBARCADERO AT GREEN STREET)

DIRECTOR'S RECOMMENDATION: APPROVE FIVE (5) YEAR LEASE WITH BIG C TRADERS AT PIER 23, SAN FRANCISCO FOREIGN TRADE ZONE NUMBER 3.

BACKGROUND:

On February 22, 2000, the San Francisco Port Commission approved Lease No. L-12853 with Big C Traders, a California corporation for Piers 19 and the Pier 19-23 Bulkhead (The Embarcadero at Green Street) (Port Commission Resolution No. 00-11) along with an Operating Agreement between the Port and Big C Traders providing for the operation of Foreign Trade Zone Number Three by Big C Traders.

Lease No. L-12853 affects only Pier 19 and the Piers 19-23 Bulkhead Building. Pier 23 itself is not included in Lease No. L-12853. This exclusion of Pier 23 from the L-12853 Premises was intentional and was designed to accommodate the Port's ongoing negotiations with the Bay Conservation and Development Commission concerning BCDC's amendments to the Special Area Plan. It was and continues to be anticipated that the final Special Area Plan will provide for the removal of at least a portion of the Pier 23 Finger Pier.

In order to allow Big C Traders immediate access to the portion of the Pier 23 Facility not affected by the thirty (30) year term of Lease No. L-12853, the Port entered into a standard form

lease (Lease No. L-12900) for a five (5) year term. This "interim" lease does not contain all of the terms and conditions of the thirty (30) year Lease No. L-12853, which terms and conditions are essential to the operation of the Foreign Trade Zone. However, these terms must be approved by the Port Commission.

Port staff has negotiated the terms of a new five (5) year lease (Lease No. L-12947) for the Pier 23 finger pier that substantially mirrors the terms and conditions of the thirty (30) year lease (Lease No. L-12853) except for the provisions in Lease No. L-12853 providing for the development of the new office space at the Foreign Trade Zone and the Port's right to participation rent from the new office space, and the proration of rent credits for certain maintenance items, including roof replacement and repainting of the exterior walls. Lease No. L-12947 contains the following terms and conditions.

Lease No. L-12947

Tenant:	Big C Traders, a California corporation
Premises:	Pier 23 (approximately 95,080 square feet of interior space and adjacent pier aprons).
Term:	Five (5) years.
Commencement Date:	March 1, 2000
Termination Date:	February 28, 2005
Base Rent:	For the period March 1, 2000 through February 28, 2001 $ 8,300.00 per calendar month; For the period March 1, 2001 through February 28, 2005 $20,870.00 per calendar month; The total of rents to be paid for this period are equal to the rents that would have been received for the Pier 23 shed and aprons pursuant to the Port's former lease (Lease No. L-12569) with Big C Traders set to expire on March 31, 2003. For the period March 1, 2003 through February 28, 2005, the Base Rent will be adjusted per the Consumer Price Index (C.P.I.)
Rent Adjustments:	Effective March 1, 2003, the Base Rent shall be adjusted for the succeeding and remaining two (2) Lease Years in direct proportion to the percentage increase in the Current Index over the Base Index. In no case shall the Base Rent, as adjusted be less than the Base Rent, for the Lease Year immediately prior to March 1, 2003. If the Current Index has increased over the Base Index, the adjusted Base Rent for the period March 1, 2003 through February 28, 2005 shall be determined by multiplying the Base Rent for the Lease Year immediately prior to March 1, 2003 by a fraction, the numerator of which is the Current Index, and the denominator of which is the Base Index, as follows:

Current Index x Previous Base Rent = Adjusted Base Rent
Base Index

This rent structure will result in lease revenue of Ninety Nine Thousand Six Hundred Dollars ($99,600.00) per year for the first lease year and Two Hundred Fifty Thousand Four Hundred Forty Dollars ($250,440.00) for the second through third lease years for a total minimum lease revenue without taking into account possible CPI based adjustments of One Million Sixty One Thousand Three Hundred Sixty Dollars ($1,061,360.00). If all available rent credits are assumed, the total minimum lease revenue figure would be Seven Hundred Forty Five Thousand Three Hundred Sixty Dollars ($745,360.00) for the five (5) year term without taking into account possible future CPI based adjustments.

Permitted Use:

The Premises shall be used to conduct the United States Customs Department approved bonded warehousing and container freight station ("C.E.S.") operations of a Foreign Trade Zone in accordance with Tenant's rights and duties as set forth in that certain Operating Agreement ("Operating Agreement") dated for reference purposes only as of February 8, 2000, by and between Port and Tenant which Operating Agreement was approved by the San Francisco Port Commission on February 22, 2000 pursuant to Port Commission Resolution number 00-11. The Premises may not be used for any other use except as permitted in the Lease without the prior written consent of Port which consent may be given, withheld, denied or conditioned in Port's sole and absolute discretion.

Maintenance and Repairs:

Except for the pier pilings and substructure and the pier fendering systems all other items of repair and maintenance to the Pier 23 facility will be the sole responsibility of Big C Traders throughout the five (5) year Term.

Rent Credits for Needed Repairs:

A one time rent credit will be available in the first three years for the replacement of the facility roof and the painting and waterproofing of the exterior walls. (Sections 40 and 41). A maximum of $205,000 is allowed for the new roof. A maximum of $70,000 is allowed for painting and waterproofing of the exterior shell.

(Note: Standard real estate industry practice would place this responsibility on the Landlord. Budget and human resource considerations dictate that these costs be expended by the Tenant subject to reimbursement via the Port Commission approved Rent Credit Policy. If these items are undertaken by the Port Maintenance Division, no rent credits are available to the Tenant.)

Rent Credits for Repairs and Maintenance Otherwise the Obligation of the Port	Rent credits are available for the reasonable costs of repairs and maintenance which are the obligation of the Port under the terms of the Lease, but which the Port is unable to effect due to fiscal or human resource considerations. No such rent credit may exceed $10,000.00 without Port Commission approval.
Utilities and Services:	All utilities, (e.g. gas, electric, telecommunication, water and sewer) and all services (e.g. garbage and refuse collection, pest and vector abatement, janitorial services, etc.) are the sole responsibility of Big C Traders (§§ 1.10 and 12).
Assignment and Subletting:	Assignment and subletting of the Premises to other than Foreign Trade Zone users is permitted only with the approval of the Port Commission (§ 21).
Subletting for Foreign Trade Zone Uses:	The Port acknowledges that it is a function of a Foreign Trade Zone to provide warehouse space, CFS space, manufacturing and assembly facilities, warehouse services, berthing and stevedoring services and similar Foreign Trade Zone services to others on both a contract and a sublease basis. Accordingly, Big C Traders will be permitted to sublease space in the Premises and to contract warehouse services, berthing and stevedoring services and other services directly related to the operation of a Foreign Trade Zone to third parties provided Big C Traders first satisfies the following conditions: (a) Not less than thirty (30) days prior to the commencement of any such sublease or service contract, Big C Traders shall deliver to the Port a copy of the fully executed sublease or service contract along with: i) The name and address of the subtenant or contracting party; ii) The names of the principals and/or corporate officers of the subtenant and/or contracting party; iii) The name and address of the California Agent Service of Process of any corporation proposed as a subtenant or contracting party; iv) copy of such subtenant's or contracting party's City and County of San Francisco Business License and if the proposed subtenant or contracting party is a corporation, a copy of such filings as may be from time to time required by the State of California Secretary of State in order to conduct business in the State of California whether by a domestic or a foreign corporation; v) Evidence acceptable to the Port that such subtenant(s) and contracting party(ies) maintain such insurance coverages as set forth in Section 17 et seq. of the Lease. All such policies shall provide for coverage of additional insureds

identifying the City and the Port as set for forth in Section 17.6 of the Lease;

vi) A full description of the proposed subtenant's or contracting party's Foreign Trade Zone activities to be conducted in the Premises; and

vii) Evidence that the proposed subtenant or contracting party has the financial resources to support all of the financial and other obligations of its sublease or contract.

(b) Within thirty (30) days of the Port's receipt of all of the information required hereabove, the Port shall approve or disapprove Big C Traders' proposed sublease or contract in writing. The Port's approval or disapproval shall not be unreasonably withheld or delayed. Any disapproval of a prospective subtenant or contracting party shall be accompanied by a written statement of the Port's reasonable reasons for such disapproval. The Port may disapprove a proposed subtenant or contracting party on any reasonable ground. Reasonable grounds may include, without limitation, any one or more of the following:

i) that the proposed use of the Premises by the subtenant or contracting party is not consistent with the uses permitted in Section 1.8 of the Lease (Permitted Use);

ii) that the proposed use of the Premises by the subtenant or contracting party is not consistent with the effective operation of a Foreign Trade Zone;

iii) that the nature of the proposed subtenant's or contracting party's intended or likely use of the Premises would involve an increased risk of the use, release or mishandling of Hazardous Materials or otherwise involve an increased risk of fire or other casualty;

iv) that the business reputation or character of the proposed subtenant or contracting party or any of its affiliates is not reasonably acceptable to the Port;

v) the proposed subtenant or contracting party would be in immediate violation of Section 29 (City Requirements) of the Lease; or

vi) That the proposed subtenant or contracting party does not have adequate financial resources to support all of its financial and other obligations of its sublease or contract.

(c) Any sublease made pursuant to the Lease shall be in a form substantially in conformance with the Port's standard sublease form.

(d) Big C Traders may sublet warehouse space and warehousing services to Foreign Trade Zone users without Port participation. Big C Traders may not sublease office space in Pier 23.

Port's Right to Terminate: At any time during the term of the Lease, the Port may terminate the Lease at Pier 23 upon twelve (12) months written notice and without the payment of a lease termination fee or other compensation or reimbursement to Big C Traders other than a reduction in rent attributable to the portion of Pier 23 actually taken.

CONCLUSION

The efficient and effective operation of Foreign Trade Zone #3 requires that Big C Traders be able to offer facilities competitive with other foreign trade zones. Port staff recommends Port Commission approval of the Lease No. L-12947.

Prepared by: Peter Dailey, Director of Maritime
Nicolas J. Dempsey, Senior Commercial Leasing Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-59

WHEREAS, Section 3.581 of the Charter of the City and County of San Francisco empowers the San Francisco Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port Jurisdiction; and

WHEREAS, by a grant (the "Grant") dated March 10, 1948, and pursuant to the authority granted to it by the United States Congress (48 Stat.998; U.S.C.A. Title 19,§§ 81a-91u), the Foreign Trade Zone Board granted to the Port Commission through the Port's predecessors, the Board of State Harbor Commissioners for the Port of San Francisco, the right to establish, operate and maintain a Foreign Trade Zone in San Francisco; and

WHEREAS, by an agreement, entitled "Foreign Trade Zone #3 Operating Agreement, dated March 30, 1998, the Port Commission granted to Big C Traders, a California corporation ("Big C Traders"), the right to operate Foreign Trade Zone #3 at Piers 19-23 pursuant to the terms of the Grant; and

WHEREAS, Concurrent with entering into the Operating Agreement, the Port Commission entered into a lease (Lease No. L-12853) with Big C Traders providing for the Lease of Piers 19-23 on which to operate Foreign Trade Zone #3; and

WHEREAS, Big C Traders, since that date, has studied and analyzed the workings of Foreign Trade Zone #3 and compared its operation to those of other Foreign Trade Zones in the United States and comparable facilities in Europe and Asia; and

WHEREAS, Big C Traders has shared the results of its analysis with the Port Commission; and

WHEREAS, Big C Traders' analysis concludes that the viability of Foreign Trade Zone #3 requires the development of additional facilities for use by Foreign Trade Zone #3 clients and users; and

WHEREAS, By Port Resolution 00-11 the Port Commission approved entering into Lease No. L-12853 for a term of thirty (30) years affecting Pier 19 and the Pier 19-23 Bulkhead Buildings; and

WHEREAS, the Port Commission desires to retain maximum flexibility regarding the future of the Pier 23 finger pier; and

WHEREAS, Big C Traders has proposed a five (5) year lease for the operation of a Foreign Trade Zone on the Pier 23 finger pier; and

WHEREAS, Port staff and Big C Traders have negotiated the terms of a five (5) year lease affecting the Pier 23 finger pier, now, therefore, be it

RESOLVED, that the San Francisco Port Commission hereby approves Lease No. L-12947 with Big C Traders for Pier 23 on the terms and conditions contained therein and as outlined in the Memorandum to the Port Commission for the meeting of July 11, 2000 in substantially the form of such lease on file with the Commission Secretary; and be it further

RESOLVED, that the Port Commission authorizes and directs the Executive Director to execute Lease No. L-12947; and be it further

RESOLVED, that the Port Commission authorized the Executive Director to enter into any additions, amendments or other modifications to Lease No. L-12947 (including, without limitation, preparation and attachment of, or changes to, any or all of the exhibits) that the Executive Director, in consultation with the City Attorney, determines are in the best interests of the Port, do not materially increase the obligations or liabilities of the Port, and are necessary or advisable to complete the transactions which the Lease contemplates and effectuate the purpose and intent of this resolution, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of the Lease and any such amendments thereto.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 11, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

July 11, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Michael Hardeman
Hon. Pius Lee
Hon. Denise McCarthy

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to Issue a Request for Proposals (RFP) to Software Vendors to Provide the Port with a Property Management and Billing System

DIRECTOR'S RECOMMENDATION: Approve Resolution and Grant Authorization to Issue a Request for Proposals (RFP) to Software Vendors to Provide the Port with a Property Management and Billing System

The Information Systems Group at the Port of San Francisco has performed a detailed analysis of its needs with respect to the Port's billing and property management business processes and supporting information systems. Currently, these processes are being supported by an outdated, technically obsolete, and inefficient software system that resides on the Advanced Revelations (AREV) technology platform. This system was designed and implemented over a decade ago. Not only is it far from meeting the current functional needs of the Port, but the technology is so old that no one on the IS staff (and few people in the larger labor market) is knowledgeable on its inner-workings. Therefore maintenance of the system is very difficult to provide, and enhancement of the system is not practical.

The Port needs to be able to effectively manage the revenue stream originating from its billing process. An effective system would not only include billing functionality to meet the Port's diverse billing needs, but also flexible reporting and data extraction capabilities, seamless

interaction with other systems, and a technological foundation that could meet future billing requirements such as Electronic Data Interexchange (EDI) and e-Commerce.

Therefore, Port staff, through this action item, seeks authorization to issue a RFP for a property management and billing system that will improve productivity in property management, billing and accounting activities. The primary goal of this RFP is to successfully locate a qualified vendor that can provide and implement a billing module that will meet the needs of the Port and its customers for many years to come. This RFP will also serve a secondary goal eliminating reliance upon the AREV modules.

The Port IS staff will lead a committee to select a vendor to provide this software through a competitive proposal process subject to Commission approval. The selection criteria are explained fully within the body of the RFP. The Port IS Staff has estimated that the cost for this software, in addition to a moderate amount of customization to fully meet the Port's needs, is approximately $100,000. This amount has been included in the Port IS Budget for FY 2000/2001, and the project has been approved by the CCSF Committee on Information Technology (COIT) and the Purchaser's Office.

A draft of the Request for Proposals in substantial form is on file with the Commission Secretary.

Prepared by John Barnett, Information Systems Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-57

WHEREAS, Port staff has identified the need for a new Property Management and Billing Software System; and

WHEREAS, Port staff desires to purchase this software from a qualified vendor who has already developed such a system; and

WHEREAS, Port staff requests approval to issue a Request for Proposals (RFP) to software vendors to provide the Port with a Property Management and Billing System and related implementation consulting services; and

WHEREAS, Port staff has estimated the cost to purchase a software package of this nature is approximately $100,000 which is included in the Port budget for fiscal year 2000/01; now therefore, be it

RESOLVED, That the Commission hereby authorizes staff to issue a request for proposals to solicit vendors for a proposal to provide the Port with a Property Management and Billing System.

I hereby certify the foregoing resolution was adopted by the Port Commission at its meeting of July 11, 2000.

_____
Secretary

SAN FRANCISCO
PORT COMMISSION

JULY 11, 2000 MINUTES
OF THE REGULAR MEETING

MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE REGULAR MEETING
4:00 P.M., TUESDAY, JULY 11, 2000

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 4:05 p.m. Present were: Commissioners Brandon, McWilliams, McCarthy & Hardeman. Commissioner Lee was not present.

2. APPROVAL OF MINUTES - June 15, 2000 Special Meeting
- June 27, 2000 Special & Regular Meeting

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. The minutes of June 15 and June 27 meetings were adopted.

3. EXECUTIVE

A. Executive Director's Report

- State Grant for Pier 52 Boat Ramp – The Governor approved the $1,023,000 CA Dept. of Boating and Waterways grant for the Pier 52 Boat Launch and parking lot. Construction is scheduled to commence in mid-2002, but the target date would be dependent on Catellus' schedule to realign Terry Francois Blvd. and install a storm water pump station for Mission Bay. Catellus believes these improvements will be finished by early 2002.

  Commissioner Brandon commended Veronica Sanchez and Dan Bell for obtaining the grant funds for the Public Boat Launch Project.

- Funding for Bay Area Water Transit Authority – The Governor vetoed the $12 million for funding the Water Transit Authority because he objected to funding the project from the General Fund. He recommended passage of legislation to fund the Authority from the Public Transportation Account. Staff will be working with its delegation and lobbyists in Sacramento to pursue alternative legislation that will gain the Governor's support.

- Pier 45 Public Attraction – Future Board Actions – On July 6, the Small Business and Economic Vitality Committee approved Supervisor Newsom's legislation requesting the Port Commission to delay contracting with Malrite Corporation until the Board of Supervisors has had an opportunity to examine and comment on the best use of the property. This resolution will be voted on by the full Board on Monday, July 17th. On Thursday, July 13th, the Rules Committee will hear the

proposed Declaration of Policy by Supervisor Newsom. This item submits to the voters the question of future use of Pier 45.

- Alleged Cruise Ship Terminal Spill – On July 4th, the San Francisco Examiner reported that a passenger aboard an RCCL cruise ship docked at Pier 35 had dumped hazardous chemicals into the Bay on September 21, 1999. The article created the impression that Port officials knew of this incident. In fact, neither Port staff nor Metropolitan Stevedore knew of this incident. Staff also checked with the U.S. Coast Guard and discovered no reported complaints of dumping into the Bay. Port staff did not receive any of the alleged complaints. Staff wrote a letter to the Examiner's Editor clarifying its position and gave assurance that the Port takes very seriously any reported incidents of discharge into the Bay and refers these cases to the enforcement agencies.

- BCDC Special Area Plan Amendments – Staff has been working on final revisions to the BCDC Special Area Plan since the last joint Port and BCDC hearing of June 15th. Written comments from the public were due on June 30th and a revised plan will be sent out this Friday. A joint hearing is scheduled with BCDC on Thursday, July 20 at 1 p.m. which will be held in the north light court at City Hall. Staff expects that the BCDC Commission will be voting on the Special Area Plan amendments after many years of hard work by all parties involved. The Port Commission will be considering the Waterfront Plan Amendments at that same meeting.

4. CONSENT CALENDAR

5. MARITIME

A. Approval of First Amendment to Lease L-12657 with Waste Solutions Group for use of rail yard at Cargo Way. (Resolution No. 00-58)) **This item has been continued to the next meeting.**

6. REAL ESTATE

A. Approval of Fourth Amendment to Lease No. L-10446 with Kira Mikazon, an Individual, affecting Pier 33 South (The Embarcadero at Bay Street). (Resolution No. 00-44)

Mr. Nicolas Dempsey, Senior Leasing Manager, indicated that previously the Commission approved an assignment of lease at Pier 33 South and Pier 33 Inc. to Kira Mikazon, an Individual, which assignment was subject to the approval of the this fourth amendment. Staff previously presented to the Commission a proposed fourth amendment but the Commission raised several issues. Staff renegotiated and documented a new fourth amendment providing for a clarification of the existing language in the Pier 33 Inc. lease relative to the Ports' right to terminate for a Port project. The existing lease requires that the Port pay the balance of any loan on the property up to a maximum of $546,000. The existing language did not provide for an amortized loan and did not provide any period within which the loan must be secured.

The proposed amendment keeps that cap at $546,000 but limits the termination fee to a loan secured between March 15 and October 15, 2000, which is the purchase finance loan and requires that loan to be fully amortized and does not allow "interest only" loans. In addition, staff is incorporating the standard City requirements now incorporated in City leases. Staff has negotiated a "lock" in any percentage rents that the Port receives in any year which would then become the new minimum rent for future years, thereby protecting the Port from future economic downturns. Currently, the office leases in these facilities are at $18 per sq. ft. The first of those leases comes up for renewal in October. Staff estimates that they will be receiving far more than $18/s.f. for the leases, enhancing the opportunity for the Port to share in the revenues.

Lorraine Graves, a tenant at Pier 33, indicated that they have not been privy to any of the information regarding this item. A tenant on the pier has been applying for a 5-year lease renewal for the past year. Ms. Graves herself was told not to bother renewing her lease. She asked for more information about the new landlord and inquired why they have been put off on renewing their leases.

Mr. Dempsey clarified that this particular lease does not impact Pier 33. It impacts Pier 33 South which is the appendage south of the main pier where Ms. Graves and other tenants in Pier 33 occupy. This master lease or the assignment of this lease does not affect their space. Port staff has begun renewing some of the leases at Pier 33 as time and staffing permits. Mr. Dempsey reiterated that this lease does not impact the Pier 33 tenants; it only impacts Pier 33 South.

ACTION: Commissioner McCarthy moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor; Resolution No. 00-44 was adopted.

B. Approval of five (5) year lease with Big C Traders at Pier 23, San Francisco Foreign Trade Zone Number 3 (The Embarcadero at Green Street) (Resolution No. 00-59)

Mr. Nicolas Dempsey, Senior Leasing Manager, indicated that earlier this year, the Commission approved a 30-year lease with Big C Traders for the operation of FTZ #3 pursuant to a 30-year operating agreement which was also approved at the same time. That lease affected Pier 19 and the bulkhead buildings at Pier 23 and 19 only. At the request of the Planning Division, staff chose not to include in the 30-year lease the facility at Pier 23 so that it might be available to the Port for its negotiations for open space and open water space. To cover the gap between then and now, staff entered into a standard form lease with Big C Traders to allow them the legal occupancy of this facility. However, that lease did not provide all of the terms and conditions of the lease that the Commission previously approved for the larger facility that would allow for the operation of a foreign trade zone. This Pier 23 lease substantially mirrors all of the terms and conditions of the previously approved lease for Pier 19 and the 19-23 bulkhead except that it does not permit the development of additional new space inside the Pier 23 facility. All of the other concerns regarding the other lease were addressed in this lease.

Mr. Claude Jacques, Foreign Trade Zone, indicated that they ran a full-page ad in China about foreign trade zone and it generated quite a response from brokers and others. The International Maritime Trade Center is within grasp and he thanked the Commission for its support and the staff's hard work.

ACTION: Commissioner McWilliams moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor; Resolution No. 00-59 was adopted.

7. FACILITIES & OPERATIONS

8. PLANNING & DEVELOPMENT

A. Approval of Development Agreement with Rincon Park Restaurants, LLC for development of the Rincon Park Restaurant Site including the form of Ground Lease and approval of related modifications to the Design & Access Element of the *Waterfront Land Use Plan* (Resolution 00-60); and Approval of Schematic Drawings for the Rincon Park Restaurant Site (Resolution 00-61) NOTE: "This action is within the scope of: (1) the Rincon Point-South Beach Redevelopment Plan Final Environmental Impact Report, certified November 5, 1980; (2) the Rincon Point-South Beach Redevelopment Plan Supplemental Environmental Impact Report, certified on August 15, 1991; and (3) the Port of San Francisco Waterfront Land Use Plan Final Environmental Impact Report, certified on January 9, 1997, which EIRs adequately described the project." **This item has been continued to the next meeting.**

9. FINANCE & ADMINISTRATION

A. Authorization to Issue a Request for Proposals (RFP) to Software Vendors to provide the Port with a Property Management and Billing System. (Resolution No. 00-57)

Mr. John Barnett, Information Systems Manager, indicated that the Port has a wide variety of revenue sources from property leases, parking fees, crane rental, wharfage dockage, etc. Staff bill these fees monthly to its clients using a lease management and billing software system that was developed by Port staff ten years ago. The software was based on the technology platform called Advanced Revelations (AREV), which is somewhat of a misnomer nowadays. It is underpowered, obsolete and badly lacking in overall functionality. Overtime only one IT staff person fully understood the system and that person has since retired from the Port. Currently, no one on the staff really understands the system in an in-depth technical way. Staff has looked for outside consultants who might know about AREV but none exist because it's so old that no one is interested in developing or maintaining systems on AREV. Not only can staff not enhance or improve the existing system, staff is having trouble maintaining and keeping it running on a monthly basis to do its billing. Therefore, staff has decided to look for a new state-of-the-art system to take its place. Steve Martin was hired to manage the business applications group to address software issues. Steve's group spent the majority of 1999 working on Year 2000 issues and we rolled into the New Year with no problems in terms of Y2K issues. He commended Steve and his group

for doing an extremely good job. Steve and his group have put together an RFP to obtain a new property management and billing system.

Mr. Steve Martin indicated that the RFP would encompass the three major areas of billing, property management and vessel management. Staff is seeking proposals from qualified vendors/consultants to meet Port's needs.

Commissioner McCarthy inquired if the RFP is tailored just for the Port or if one exists. Mr. Martin replied that they put together the RFP with the scope of handling billing, property management and vessel management. They looked at different products available in the market and there are products available for property management that includes billing. However, the scope of the project includes vessel management and there are not a lot of products in the market that would readily meet that need. Staff is making sure that the software product could be interfaced with a custom module to handle the vessel management needs.

Commissioner McCarthy asked if other ports are doing the same thing. Mr. Martin replied that Louise Anderson on the Maritime staff investigated and found that other ports are using highly customized applications to meet their needs. Staff also found that custom applications similar to the AREV application are outdated because there aren't any people to keep it updated or become costly to maintain. Staff is looking for a third-party package ready to be implemented right now. The RFP also includes consulting services so that we can utilize the service from the software vendor.

Commissioner McCarthy asked if the contract amount is sufficient. Mr. Martin replied that the cost ranges from $50,000 to $100,000. The reason for the large range depends on whether the software purchased matches the hardware we already have or if there's other technology that staff need to become conversant and trained. Mr. Barnett clarified that staff made an assumption that any package we would buy would be compatible with our existing hardware environment therefore, staff has not added any money for networking or hardware or operating system.

Commissioner McWilliams inquired if this would enhance the ability to compile information for economic impact reports or interface with it. Mr. Martin replied that there's a great deal of effort for gathering information for decision support types of activities. Two things are missing: (1) having the right information in the right place; and (2) delivering it to the people who need it. Unfortunately, the Port lacks both. A system like this would address those issues.

ACTION: Commissioner Hardeman moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor; Resolution No. 00-57 was adopted.

10. NEW BUSINESS / PUBLIC COMMENT

Marianne Bennett, small business owner in the Agricultural Building, opposed to a master lease being given by the Port to a law firm which is presently a tenant of the Ferry Building who has had notice for several years to relocate. Small businesses greatly impact the

financial success of the City. Her firm manufactures and invents environmentally safe products which are shipped throughout the United States. Her firm is a partner with the U.S. Dept. of Agriculture. She thanked the representatives from the Mayor's office, Supervisors Newsom and Leno's office for listening to their concerns. She asked the Commission to hold any master leases on the building because the future master plan of the Port is to convert that building to a ferry terminal. She believed it's unethical and the Port Commission need to stand up to this long-term tenant that has space available in privately owned buildings in San Francisco. For the Port to prefer one tenant over a group of other tenants is not the way to conduct business.

In response to Commissioner Brandon's inquiry about her lease, Ms. Bennett replied that her lease is month-to-month, renewable each year at which time she's given a rent increase. She claimed that other tenants are given other types of leases which led her to believe that there is no continuity with how real estate functions are being run within the Port.

Sohail Malik, Panelight Display Systems, a minority-owned small business at the Agriculture Building since 1992 indicated that they are faced with the same situation as Ms. Bennett. Their business serves the local downtown area. Relocation and disruption of their business would cause them to lay off most of their staff and it would be a survival issue for them. If the Port simply wants to increase rent, they were not given the right of refusal. The Port is going to spend a lot of money upgrading the building to accommodate a new tenant in order to raise the rent. The Port should offer the existing tenants the same rate of rents. He claimed that there are other issues involved beyond additional revenue being generated which they are objecting to. They don't understand why their livelihood would be impacted for an obscure motivation.

Earl Jackson, President of a medical device exporting company dealing with international trade in the Agriculture Building, indicated that when they rented the space they were told that it fits the requirements of the idea of San Francisco being in trade. They are tenants of the Port since 1981. They were in the Ferry Building for many years. Starting last year, Real Estate Management informed them that they would have to find another space because of the Ferry Building renovation and the premises would have to be vacated by August 2000. The Port offered assistance in finding another space where they don't foresee a situation like this again. They were offered a space in the Agriculture Building in January and have since renovated the space. Announcements were sent out. They deal with international bankers worldwide. He echoed previous speakers' comments that it would be disruptive for small businesses to move. It would be difficult in this particular climate to find any space, large or small, and particularly harder for small businesses in San Francisco and in the Peninsula. They don't believe that they should be displaced because someone has more pull or power. For that reason, he asked the Commission to carefully consider their situation before sending out eviction notices.

Commissioner Brandon indicated that since this item is not on the agenda as an action item, she directed the Executive Director to brief the Commission on the status of the Agriculture Building tenants.

11. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

At 4:35 p.m., the Commission withdrew to executive session to discuss the following:

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative.****

a. Property: Pier 15
Person Negotiating:
Port of San Francisco: Terry Picon, Director of Real Estate
*Electric Transit Inc.: Jack Gurecki

b. Property: Pier 96
Person Negotiating:
Port of San Francisco: Terry Picon, Real Estate Director
*Operation USA/Hope: Neil Frame

c. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning and Development.
*Municipal Railway: Kerstin Magary

d. Property: Port Property located at Pier 30-32
Person Negotiating:
Port of San Francisco: Terry Picon, Real Estate Director
*Red's Java House: Steve Riley

e. Property: Port Property located at Pier 9
Person Negotiating:
Port of San Francisco: Peter Dailey, Maritime Director
*Pacific Marine Dining Yachts: Garrett O'Doherty
This item was taken off calendar

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED LITIGATION MATTERS:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (three cases).
___As Defendant _X_As Plaintiff

At 5:54 p.m., Commissioners Brandon, McWilliams, McCarthy and Hardeman returned from executive session and convened in open session.

ACTION: Commissioner McCarthy moved approval to not disclose any information discussed in executive session. Commissioner McWilliams seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 5:54 p.m.

SPECIAL JOINT HEARING

SAN FRANCISCO PORT COMMISSION

Ferry Building, Suite 3100, San Francisco, CA 94111 (415) 274-0406

and

SAN FRANCISCO BAY CONSERVATION & DEVELOPMENT COMMISSION

50 California Street, Suite 2600, San Francisco, CA 94111 (415) 352-3600

NOTE SPECIAL MEETING LOCATION

1:00 P.M., Thursday, July 20, 2000
North Light Court – First Floor
City Hall, One Dr. Carlton Goodlett Place
San Francisco, CA 94111-4689

DOCUMENTS DEPT.

JUL 12 2000

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AGENDA

1. **ROLL CALL**

2. **PLANNING & DEVELOPMENT**

   A. San Francisco Bay Conservation and Development Commission (BCDC) consideration and approval of the San Francisco Bay Plan Amendment No. 7-99 that would amend (1) the San Francisco Bay Plan, (2) the San Francisco Waterfront Special Area Plan, and (3) the San Francisco Waterfront Total Design Plan, Piers 7 through 24.

   B. Resolution for adoption by the Port Commission to approve proposed amendments to the Waterfront Land Use Plan, to make it consistent with the BCDC San Francisco Bay Plan Amendments. The environmental impacts of the proposed Waterfront Land Use Plan amendments were addressed in the Waterfront Land Use Plan Program Final Environmental Impact Report (FEIR), certified on January 9, 1997 pursuant to the California Environmental Quality Act (CEQA), and the Environmental Assessment (EA) prepared by BCDC, issued May 16, 2000, pursuant to the Public Resources Code, which EA serves as an Addendum to the FEIR. (Resolution 00-62)

3. **NEW BUSINESS / PUBLIC COMMENT**

   Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

4. **ADJOURNMENT**

JULY/AUGUST 2000
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
July 11	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
July 20	1:00 p.m.	Joint Hearing/Port Commission BCDC	No. Light Court City Hall
July 25	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
August 8	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
August 22	4:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:
The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47, Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website
Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Pier 45 Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Liz Fitzgerald	274-0400

ACCESSIBLE MEETING INFORMATION

The North Light Court is located in the first floor of City Hall, One Dr. Carlton Goodlett Place. The North Light Court is wheelchair accessible.

The closest accessible BART station is Civic Center, three blocks from City Hall. Accessible MUNI lines serving this location are: #42 Downtown Loop and the #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call 923-6142.

There is accessible parking in the vicinity of City Hall at Civic Center Plaza and adjacent to Davies Hall and the War Memorial Complex.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

July 8, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong fo
Executive Director for

SUBJECT: Proposed Amendments to the Waterfront Land Use Plan to Reflect Proposed BCDC Plan Amendments for the San Francisco Waterfront

DIRECTOR'S RECOMMENDATION: Approve Resolution to Amend the Waterfront Land Use Plan

Proposed Amendments to BCDC Plans
Since January 2000, the Bay Conservation and Development Commission (BCDC) and the Port Commission have been working jointly to develop amendments to BCDC and Port plans to establish consistent policies for the San Francisco waterfront. Following a series of joint BCDC/Port Committee hearings during January through April, the two Commissions held a joint meeting on May 9, 2000 and directed their respective staffs to produce draft amendments to BCDC's Bay Plan, San Francisco Waterfront Special Area Plan (SAP) and Total Design Plan, and the Port's Waterfront Land Use Plan.

The draft BCDC plan amendments were published for public review and comment on May 16, 2000. On June 5, 2000, additional BCDC plan amendments were released, containing refinements of the policy amendments in the May 16th publication. BCDC and the Port Commission held a joint public hearing on June 15, 2000 to receive public comments. After closing the public hearing, the Commissions established June 30, 2000 as the deadline for written comments on the BCDC plan amendments. The BCDC will consider approval of the BCDC plan amendments, as may be further refined in response to public comments, at a Special Joint BCDC and Port Commission meeting scheduled for Thursday, July 20, 2000, 1:00 p.m. The meeting will be held at San Francisco City Hall, North Light Court on the first floor, One Dr. Carlton Goodlett Place, San Francisco, CA 94102.

Proposed Amendments to the Waterfront Land Use Plan (WLUP)
In concert with the BCDC plan amendments, the Port staff has prepared draft conforming amendments to the Waterfront Land Use Plan and its accompanying Design & Access

element, to ensure consistency between BCDC and Port planning policies for the waterfront, from Pier 35 to China Basin.

Proposed deletions are indicated with ~~strikeouts~~, and additions with underlining. The WLUP amendment package has been prepared so that the proposed amendments can be read in the context of the given WLUP topic, without necessitating the reader to obtain copies of the entire WLUP. However, copies of the Waterfront Land Use Plan (as amended, and republished in January 2000) and Design & Access Element (as adopted by the Port Commission, June 1997) are available to the public upon request. Copies of both documents may be purchased for $15.00, by check payable to the "Port of San Francisco". In addition, the Port provides loan copies of both documents free of charge. Please call Floristine Johnson at (415) 274-0526 to make arrangements to obtain loan copies.

The Port Commission will receive public comments on the proposed WLUP amendments at the Joint BCDC and Port Commission meeting on July 20th. Written comments may be sent before the July 20th public hearing. Following BCDC action on the proposed BCDC plan amendments, and the receipt of public comments on the proposed WLUP amendments, the Port Commission will consider approval of the proposed WLUP amendments, which may be refined in response to public comments, at the July 20th meeting.

Summary of the Proposed WLUP Amendments
The proposed WLUP amendments are a direct reflection of the content of the proposed BCDC plan amendments, to incorporate policies regarding use, public plazas, pier removal and Open Water Basins, and public access, and implementation requirements for the area from Pier 35 to China Basin (identified as the "Northeast", "Ferry Building", and "South Beach" subareas in the WLUP). The amendments include changes to WLUP maps and graphics, and cross-references to BCDC's SAP. Below is a summarization of the proposed WLUP amendments:

- Deletion of all references to a "Pier 15-29 Special Study", which has been replaced by proposed new text regarding the Northeast Wharf Park plaza at Pier 27 (including removal of part of the Pier 27 shed), partial removal of the Pier 23 shed, and removal of the "valley" between Pier 15 and 17;

- Deletion of Pier 27-29 as a Transitional Maritime Area which, by separate Port Commission action in March 1999, was determined to be surplus to cargo shipping uses on the pier;

- Inclusion of policies to remove Piers 24, 34, 36, portions of Pier ½, and portions of Pier 2, and the creation of the Brannan Street Wharf;

- Inclusion of policies to create a Bayside History Walk as an element of public access improvements in pier projects that rehabilitate historic structures;

- Identification of Open Water Basins in text and maps, and associated restrictions on fill within those Basins;

- Distinctions for the areas north of Pier 35 and south of China Basin, wherein BCDC's current use and public access policies would continue to apply, versus the proposed BCDC amendments that would apply to the Pier 35 to China Basin area;

- Deletion of policies and development standards for a Fisherman's Wharf Triangle (Seawall Lot 300, 301) plaza, and proposed new text regarding a community planning process to develop a plaza, as part of a future review of BCDC policies in Fisherman's Wharf.

- Inclusion of objectives and implementation measure to nominate a National Register Historic District for the area from Pier 45 to China Basin by no later than June 2002;

- Policy revisions to retain and reuse all historic pier sheds and connector buildings (in addition to the bulkhead buildings).

- Inclusion of new public access provisions on piers, and minimizing adverse impacts of any parking or vehicle access on public access;

- Deletion of most references to the 1996 BCDC/Port/Save the Bay Draft Concept Agreement to reflect the applicable BCDC plans and policies in Chapters 3 and 5;

- Inclusion of the implementation requirements to remove piers, construct plazas, nominate the National Register Historic District, and coordinate project and design review procedures.

Staff Recommendation

The environmental impacts of the proposed WLUP amendments were analyzed in the Waterfront Land Use Plan Program Final Environmental Impact Report (FEIR), certified in January 1997, and the Environmental Assessment (EA) prepared by BCDC and issued on May 16, 2000, which analyzed the proposed BCDC Plan amendments, pursuant to the Public Resources Code. The EA also serves as an addendum to the FEIR.

The proposed BCDC plan amendments are the culmination of almost five years of work by the Port and BCDC Commissions, their staff and Save the Bay; the San Francisco Planning Department; and the dedicated waterfront community. The approval of the BCDC plan amendments and the accompanying WLUP amendments will achieve long-standing objectives of both agencies: 1) to establish consistent, implementable policies for the waterfront; 2) to provide major public access and other public benefits; and 3) to balance the needs of residents of San Francisco, the Bay Area and the people of California.

Prepared by: Paul Osmundson
Director, Planning & Development

Attachments
P/Amy/7-20-00 Commission calendar-WLUP amendments

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-62

ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT RELATED TO THE ADOPTION OF AMENDMENTS TO THE WATERFRONT LAND USE PLAN, AND ADOPTING AMENDMENTS TO THE WATERFRONT LAND USE PLAN, INCLUDING THE WATERFRONT DESIGN & ACCESS ELEMENT

WHEREAS, In June 1997, the Commission adopted Resolution 97-50 adopting California Environmental Quality Act findings, and the Waterfront Land Use Plan, including the Waterfront Design & Access element; and

WHEREAS, Pursuant to Resolution 97-50, the Port has worked diligently with the San Francisco Bay Conservation and Development Commission (BCDC) and Save San Francisco Bay Association (SSFBA), the San Francisco Planning Department and the community to develop conforming amendments to BCDC's plans, based on a Draft Concept Agreement, dated December 1996; and

WHEREAS, On December 16, 1999, the staff of the Port, BCDC and SSFBA presented at a joint public hearing of the BCDC and Port Commissions a Draft Framework Agreement containing the proposed resolution of outstanding issues identified in the December 1996 Draft Concept Agreement, and requested direction to commence drafting of amendments to BCDC's Bay Plan, San Francisco Waterfront Special Area Plan (SAP), the San Francisco Total Design Plan (TDP), and the Port's Waterfront Land Use Plan to establish consistent waterfront planning policies; and

WHEREAS, At the December 16, 1999 public hearing, numerous public comments were received regarding the Northeast Wharf Plaza, historic preservation and pier removal; and

WHEREAS, On January 7, 2000, the BCDC Commission initiated its Bay Plan amendment process and set a May 4, 2000 public hearing to consider recommended amendments to the Bay Plan, SAP and TDP, and also authorized the Chair of BCDC to establish a joint "Waterfront Committee" with appointed members from the BCDC and Port Commissions to conduct public meetings and make recommendations to resolve the Northeast Wharf, historic preservation and pier removal issues raised in the December 16, 1999 public hearing; and

WHEREAS, The Waterfront Committee held a number of public meetings and workshops leading to a revised Principles of Agreement pertaining to the waterfront area between Pier 35 and China Basin, which was approved by the Waterfront Committee at a public meeting on April 27, 2000, and subsequently presented

to the Port and BCDC Commissions at a joint public hearing on May 9, 2000, at which time the Commissions accepted the Waterfront Committee's report and recommendations including the Principles of Agreement; and

WHEREAS, On May 16, 2000, the staff of BCDC published a staff report and Environmental Assessment and proposed amendments to the Bay Plan, SAP and TDP, based on the December 1999 Framework Agreement and the April 2000 Principles of Agreement; and

WHEREAS, On June 5, 2000, the staff of BCDC published a revised proposed amendments to the Bay Plan and SAP containing non-substantive refinements of the May 16th proposed amendments; and

WHEREAS, On June 15, 2000, the BCDC and Port Commissions held a joint public hearing to receive public comments on the proposed BCDC plan amendments, and closed the public hearing after all comments had been heard but extended the period for receiving written comments to June 30, 2000; and

WHEREAS, On July 7, 2000, the staff of the Port published proposed conforming amendments to the Waterfront Land Use Plan, including the Waterfront Design & Access element (WLUP) to establish consistency with the proposed BCDC plan amendments, as reviewed and commented upon by the public at the June 15, 1999 joint public hearing; and

WHEREAS, The environmental impacts and mitigation measures associated with the proposed WLUP amendments were analyzed in the Waterfront Land Use Plan Program Final Environmental Impact Report (FEIR), certified on January 20, 1997, and in the Environmental Assessment produced by BCDC on May 16, 2000, which also functions as an addendum to the FEIR; and

WHEREAS, On July 20, 2000, the BCDC and Port Commissions held a joint meeting at which time the BCDC approved the final BCDC plan amendments, with refinements as recommended by staff to respond to public comments and provide further clarification; and

WHEREAS, At the July 20, 2000, the Port Commission received public comments on the proposed WLUP amendments [and incorporated modifications to address the substantive issues identified]; now, therefore, be it

RESOLVED, that the Port Commission has considered the information in the FEIR and the FEIR addendum (BCDC's Environmental Assessment) and based thereon, the Port Commission hereby finds that: (1) the WLUP amendments are within the scope of the project analyzed in the FEIR and the FEIR Addendum, and do not raise any important new issues about the significant effects on the environment not previously considered in the FEIR; (2) no changes are

proposed or have occurred in the project analyzed in the FEIR that would require major revisions to the FEIR due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects; (3) no substantial changes have occurred with respect to the circumstances under which the amendments are being adopted that would require major revisions to the FEIR due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects; and (4) no new information of substantial importance has become available since the FEIR was certified indicating that: (a) the Waterfront Land Use Plan or the proposed amendments will have one or more significant effects not discussed in the FEIR; (b) significant effects examined in the FEIR would be substantially more severe; (c) mitigation or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project; or (d) mitigation measures or alternatives which are considerably different from those analyzed in the FEIR would substantially reduce one or more significant effects on the environmental; and therefore there is no need to prepare a supplement to the FEIR or recirculate the FEIR, and be it further

RESOLVED, That the project has been modified by designating the valley between Piers 15 and 17 for removal instead of Pier 17, which is an historic resource, and therefore would reduce potential significant impacts from those identified in the FEIR and FEIR Addendum; and be it further

RESOLVED, That the Port Commission hereby adopts the amendments to the Waterfront Land Use Plan, including the Waterfront Design & Access element, in the form on file with the Port Commission Secretary for this Item, to establish planning policies consistent with BCDC plans for the San Francisco Waterfront; and be it further

RESOLVED, That the Port Commission hereby authorizes the Executive Director to make such minor technical or non-material changes to the proposed amendments to the Waterfront Land Use Plan, in consultation with the City Attorney, as he deems appropriate to implement the intent of this Resolution.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of July 20, 2000.

_____

Secretary

Waterfront Land Use Plan Proposed Amendments

Note: These Amendments reflect BCDC Plan amendments and prior Port Commission actions. Deletions from adopted text are shown by ~~strikeouts~~ , and Additions by underscores.

Page iii — *Delete Appendix E.*

Page 2 — *Change paragraph 3, fourth sentence:*
These factors, plus costs of pier rehabilitation, the blighting influence of the now-demolished Embarcadero Freeway, and i~~I~~ncreasingly restrictive land use regulations, have contributed to the Port's financial difficulties by limiting opportunities for generating new revenues.

Page 3 — *Revise introductory sentence to the Goals of the Waterfront Land Use Plan:*
Land use policies in the Plan are guided by seven goals that together will enable the Port to meet its public trust responsibilities on behalf of the people of the State of California, and to achieve the Waterfront Plan's overarching vision of reuniting the City with its waterfront.

Page 4 — *Change second paragraph under Maritime Uses:*
With respect to the Port's cargo shipping operations, the Plan reserves most Port property south of China Basin for cargo or maritime support. In addition, a few piers in the northeast waterfront are still used as cargo shipping-related facilities but are not likely to continue in these uses over the long-term because of industry trends and changing land use patterns. General policies for these northeastern waterfront piers (Piers 15, -17, 19-23~~, 27-29~~) encourage the continued maritime use of these facilities for as long as feasible. However, if these cargo-related operations can no longer operate effectively on these piers, then the Plan promotes relocating these operations elsewhere on Port property and permitting a mix of maritime, commercial, recreational, and public access uses. ~~The Plan calls for the completion of a Pier 15-29 Special Planning Area Study prior to new development on these piers to determine: 1) how the Port will meet the needs of cargo terminal and related maritime support operations on Pier 15-17, 19-23, 27-29; 2) the location and size of a major new "Northeast Wharf" open space in this area; and 3) the allowable locations and configurations of piers between Pier 15 and 29.~~

Page 10 — *Remove reference to Piers 27-29 in paragraph 1, third sentence:*
The Plan therefore protects existing cargo-related operations at Pier 15, -17, and 19-23 ~~and 27-29~~....

Revise paragraph 1, last sentence:
Other objectives guide new development to protect and enhance the historic maritime character of the area, highlight the area as a gateway to North Beach, Chinatown, and Fisherman's Wharf, build the Northeast Wharf plaza focussed on

the Open Water Basin between Pier 19 and 27, and provide other public access amenities which highlight newly created points of interest.

Page 10 *Change The Ferry Building Waterfront, top of paragraph 1:*
The Ferry Building Waterfront is the focal center of the waterfront, extending from the Pier 5 pierhead/bulkhead building to ~~the site of~~ ~~the future~~ Rincon Park ~~at the south end of the Embarcadero Promenade~~ and the Rincon Point Open Water Basin.

Page 11 *Change paragraph 2 of the South Beach/China Basin Waterfront discussion:*
. . . In addition, the Port will remove Pier 24, and will create a new Open Water Basin by removing Piers 34 and 36 in South Beach and build a new Brannan Street Wharf plaza. N~~n~~ew developments north of China Basin should include public access to extend the PortWalk ~~where feasible~~, and provide a unifying pedestrian connection between the South Beach and Mission Bay neighborhoods.

Page 12 *Change paragraph 1and Item 1:*
However, ~~increasingly restrictive legal interpretations of existing waterfront regulations, and~~ complex entitlement processes have severely limited opportunities for economic revitalization of the waterfront. Implementation of the Plan will therefore proceed on two fronts:

1. The Plan's goals, objectives and policies in plans adopted by the Port, will be reconciled with the plans and ~~proposed for incorporation into~~ the regulatory framework of the San Francisco Planning Commission and San Francisco Bay Conservation and Development Commission (BCDC). ~~, both of which govern waterfront land use through a legislative process. This will entail a reassessment of a number of existing policies, including those governing interim uses, replacement fill (under BCDC) and non-conforming uses.~~

Page 24 *Change portion of sentence at the top of the page:*
. . .allow the Port to maintain a sound and diverse economic and fiscal structure, while continuing to provide for the Port's maritime industries and other public trust uses, including public access and open space, and other public benefit projects. . .

Page 27A *Adds new entry to timeline:*
2000 July
BCDC approved amendments to the Bay Plan, San Francisco Waterfront Special Area Plan, and Total Design Plan (Piers 7-24). Port approved conforming amendments to the Waterfront Land Use Plan.

Page 29 *Change summary paragraph of timeline by amending the final sentence:*
Subsequent implementing amendments to the San Francisco *General Plan* and Planning Code were approved by the San Francisco Planning Commission and Board of Supervisors in 1997 and 1998. Amendments to BCDC plans and corresponding Waterfront Land Use Plan amendments were approved in 2000, to establish consistent City, Port and BCDC policies for the waterfront.

Page 34 *Add a new bullet on "Bayside History Walk" under the goal of "Access to and Along the Waterfront" below the 1st bullet regarding the PortWalk:*

• Create a "Bayside History Walk" as part of new public access improvements in future historic pier preservation projects. to provide public access to the Bay's intimate and quiet spaces behind historic bulkhead and connector buildings, views of the inner structure of the buildings, and interpretation of and access to these unique physical assets of San Francisco's maritime history.

Page 35 *Add a new bullet under the goal of "An Evolving Waterfront, Mindful of its Past and Future":*

- Nomination of a National Register Historic District between Pier 45 and China Basin

Page 36 *Add a new bullet under the goal of "Urban Design Worthy of the Waterfront Setting":*

- Remove certain piers between Pier 35 and China Basin to create Open Water Basins and to improve Bay views.

Page 44 *Change two bullets in upper half of the page:*

- Projects in the BCDC Bay jurisdiction are permitted by BCDC only if: (1) they are water-oriented, e.g. ~~maritime uses~~ ports, other water-related industry, Bay ~~water~~-oriented commercial recreation and Bay-oriented public assembly, water-oriented retail/commercial; . . . (5) the project is designed and situated to provide ~~the~~ maximum feasible public access, consistent with the project, to the Bay.

- In the BCDC shoreline band, projects involving a substantial change of use (per BCDC Regulation Section 10125) must obtain a BCDC permit. Projects in BCDC's shoreline band are reviewed only to determine whether they ~~the only criteria is that projects must~~ provide maximum feasible public access, consistent with the project, unless the project is within a BCDC priority use area. In those cases, the use in the shoreline band must be consistent with the priority use designation. ~~to the Bay. Minor projects (below $250,000) and projects which involve no substantial change in use, no increase in intensity of use and no negative effect on public access are effectively excluded from BCDC review.~~

Change "The San Francisco Bay Conservation and Development Commission" bullets in the lower half of the page:

• North of Pier 35 and south of China Basin, p~~P~~iers or portions of piers which pre-date the McAteer-Petris Act, are in sound condition and do not need substantial repair are treated for BCDC permit purposes as lying within the shoreline band. The only BCDC requirement is that projects on such piers provide maximum feasible public access.

• North of Pier 35 and south of China Basin, p~~P~~iers or portions of piers which require substantial repair are treated for BCDC permit purposes as lying within its Bay jurisdiction. BCDC will grant permits for projects in these areas only if the project meets the water oriented use test and other criteria, as well as provides maximum feasible public access. Also, under current BCDC policy, new

commercial recreation or retail projects must provide additional public access and/or create new open water (by removing old piers) in an amount equal to the square footage of the proposed use (known as the "Replacement Fill Policy" or "50% Rule".)

• Between Pier 35 and China Basin, existing piers are allowed by BCDC to be repaired or reconstructed, and used for purposes consistent with the Public Trust Doctrine and the Burton Act, unless otherwise designated in Port and BCDC plans for removal to expand the area of the Bay. Uses on these existing piers will not be subject to BCDC's water-oriented use and upland alternative site criteria, but must provide maximum feasible public access consistent with the project. However, any pier extensions beyond the existing footprint will be subject to water-oriented use and other applicable BCDC Special Area Plan policies.

Page 45 *Change "The San Francisco Bay Conservation and Development Commission" text:*

All projects subject to BCDC permit review must also be consistent with the *Bay Plan, The San Francisco Waterfront Special Area Plan* ~~(including the Total Design Plan)~~ and the *Seaport Plan*.

As part of the waterfront planning process, BCDC, the Port, and various interested citizens and groups have evaluated such important issues as the application of the different BCDC jurisdictions and nature and development of maximum feasible public access (including the creation of more open water) on Port property. These discussions were memorialized in a Draft Concept Agreement executed in 1996 by the executive directors of BCDC and the Port, and the Save San Francisco Bay Association. ~~The Concept Agreement included in this Plan as Appendix E, has been integrated into this Plan and will serve as the framework for proposed amendments to the Bay Plan and San Francisco Special Area Plan to be submitted for adoption by the Port, Planning and BCDC Commissions. Until such adoption, current BCDC policies will apply.~~

~~The Concept Agreement serves as a basis for the rationalization of the application of BCDC Bay and shoreline band jurisdictions to the piers. All piers lying north of Pier 70 are denominated either Category 1 for piers in excellent or good condition, or Category 2 for piers in fair or poor condition. Upon adoption as part of the amended Special Area Plan, Category 1 piers will be treated for permit purposes as lying within BCDC shoreline band jurisdiction, and Category 2 piers will be treated as lying within BCDC Bay jurisdiction, with specified provisions to allow the Port to conduct basic maintenance and repairs. The application of BCDC jurisdiction to the Port under this approach is graphically set forth in map 1. Until Special Area Plan adoption, BCDC and the Port will use these denominations as guidance in continuing the case by case jurisdictional determination.~~

Further discussions led to a Framework Agreement in 1999, and Principles of Agreement in 2000, which applied to the Northeast, Ferry Building and South Beach Waterfront subareas identified in this Plan. These Agreements were incorporated into amendments to the Bay Plan, the San Francisco Waterfront Special Area Plan, and the Total Design Plan (the "2000 Amendments"). The

key policies and requirements of the 2000 Amendments have also been integrated into this Waterfront Plan. The BCDC plans include additional detailed policies with which projects would need to comply, as applicable.

~~The Concept Agreement also embodies~~ The 2000 Amendments establish new ~~ideas~~ policies for achieving maximum feasible public access to the Bay, and creation of open water through the removal of specific piers to enhance visual and physical public access to the Bay. Specific views will be preserved, and new major public plazas will be created. ~~These elements of the Concept Agreements, which upon adoption in the Special Area Plan would~~ They replace application of ~~the public access and new open water requirement currently required under~~ BCDC's Replacement Fill Policy in the Northeast, Ferry Building, and South Beach Waterfronts, and are further set forth in detail in the Waterfront Design & Access Element of this Plan. In those Waterfront subareas, the 2000 Amendments also include~~d~~ provisions allowing repair and reconstruction of existing piers, and uses consistent with the Public Trust Doctrine and Burton Act ~~public trust. For further discussion of the Concept Agreement, see Chapter 5, which describes the Port's program to implement the Waterfront Plan, including obtaining final approvals from BCDC and the San Francisco Planning Commission to achieve consistent planning policy documents and regulations which govern waterfront land uses.~~

Page 46 *Delete page with* ~~Map 1: Pier Condition~~

Page 51 *Amend Map A Maritime Areas to 1) change shading on Piers 27-29 to reflect change in status from a Transitional Maritime Areas to Waterfront Mixed Use Opportunity Areas in combination with Pier 31; 2) remove Pier 31 from the Waterfront Mixed Use Opportunity Area that includes Piers 33 and 35; 3) add "Piers Designated for Removal" to the legend and include Piers 24, 34 and 36 and portions of Piers ½, 2 and the valley between Piers 15 and 17 (which should no longer be shaded for Transitional Maritime Areas; and 4) add "Open Water Basins" to the legend and label Open Water Basins from Pier 19 to 27, Pier 3 to 9, the Downtown Ferry Terminal breakwater to Pier 22½, and Piers 32 to 3.*

Change Note [a] to read:
Maritime uses are expressly permitted at any location along the waterfront, consistent with BCDC fill constraints within Open Water Basins located between Piers 19 and 27; Piers 3 and 9; between the Agriculture Building/Downtown Ferry Terminal breakwater and Pier 22½ ; and between Piers 32 and 38.

Page 53 *Change paragraph 1, second sentence:*
Under the McAteer-Petris Act and BCDC Bay Plan policies, those maritime uses that rely on a waterfront location to operate (e.g. navigable vessel transportation and berthing) ~~are~~ may be permitted on existing or new fill in BCDC's Bay jurisdiction. Between Pier 35 and China Basin, BCDC's San Francisco Waterfront Special Area Plan identifies Open Water Area Basins where fill for maritime uses is limited as described in BCDC's Special Area Plan. North of Pier 35 and south of China Basin Channel ~~However~~, some maritime support activities which are included in the definition of maritime uses in the Waterfront Plan (e.g. maritime office) are not considered to be "water-oriented' and, therefore, are not permitted in BCDC's Bay jurisdiction.

Change General Land Use Policies, Maritime Uses, to delete Pier 27-29:

Paragraph 2: In general, the Port's industrial cargo shipping and ship repair operations are concentrated south of China Basin Channel from Pier 48 to Pier 96, although Piers 15-17, and 19-23~~, and 27-29~~ in the northeast waterfront are still used for ~~newsprint cargo shipping and~~ cargo warehousing.

Paragraph 4: The Waterfront Land Use Plan also identifies "Transitional Maritime Areas" on Map A, with accompanying General Land Use Policies below. For a variety of reasons, the cargo shipping-related facilities at Piers 15-17 and 19-23 ~~, and 27-29~~ in the northeast waterfront are not likely to continue in cargo use over the long-term.... Although consolidation in the southern waterfront would yield maximum operational efficiency for the cargo shipping industry, this shift could require an initial capital investment for which the Port currently does not have the financial resources. These financial considerations must be addressed further before determining whether Piers 15-17 and 19-23 ~~and 27-29~~ can be developed with uses other than the existing industrial maritime and support uses.

Page 54

Change General Land Use Policies, Maritime Uses:
Although the Waterfront Land Use Plan supports continued cargo-related use of Transitional Maritime Areas for as long as viable, these sites should be considered for mixed-use development if they become surplus to cargo needs. ~~To address the potential for such a transition, the Port will complete a Pier 15-29 Special Planning Study, pursuant to a Draft Concept Agreement with BCDC and Save San Francisco Bay Association (see Chapter 5). The conversion of these facilities to mixed-use developments will provide additional opportunities to expand commercial and recreation-oriented maritime activities in a setting that will enhance those maritime businesses. Moreover, the development of new commercial activities will provide a source of revenue to help finance maritime activities that are not financially self-supporting, new open spaces and public access. Development standards for these alternate land use possibilities are presented in the discussion of the Northeast Waterfront in Chapter 4.~~

Change "General Land Use Policies for Maritime Areas" paragraph 2, end:
However, to fully meet the Port's public trust responsibilities to promote navigation, fisheries and maritime commerce, the Port reserves the right to site maritime activities anywhere on Port property in response to ever-changing industry needs, subject to BCDC San Francisco Waterfront Special Area Plan fill provisions within Open Water Basins located between Piers 19 and 27, Piers 3 and 9, between the Downtown Ferry Terminal breakwater and Pier 22½, and between Piers 32 and 38.

Page 55

Change end of Item 2b:
Creation of these improvements will be in conformity with the Waterfront Design & Access Element of the Waterfront Land Use Plan and, where applicable, BCDC's San Francisco Waterfront Special Area Plan.

Page 56

Change end of Item 7:
Creation of these improvements will be in conformity with the Waterfront Design & Access Element of the Waterfront Land Use Plan and, where applicable, BCDC's San Francisco Waterfront Special Area Plan.

Change General Policies for Transitional Maritime Expansion Areas heading and Items 11 and 13:
General Policies for Transitional Maritime Expansion Areas (Piers 15-17, 19-23, ~~27-29~~)

11. Maritime activities permissible in Existing Maritime or Maritime Expansion Areas are permissible and encouraged in Transitional Maritime Areas until the area is determined to be no longer required or suitable for maritime use exclusively, subject to BCDC San Francisco Waterfront Special Area Plan fill provisions.

13. Prior to approving any new development projects on Piers 15-17 or 19-23 ~~27-29~~, complete ~~a Pier 15-29 Special Planning Area Study (a provision of a Draft Concept Agreement with BCDC and Save San Francisco Bay Association, described further in Chapter 5) which includes the following steps: First conduct~~ a review process that considers the following criteria to determine if, on balance, Piers 15-17~~,~~ or 19-23~~, or 7-19~~ are no longer viable exclusively for maritime activities:

Page 57

Delete General Land Use Policies, General Policies for Transitional Maritime Expansion Areas, second section, and Item 14:
~~Second, identify the location, size, and design of a new public open space to be created within the Special Planning Study Area. Identify the location and configuration of piers based on:~~
~~f. The removal of up to 210,000 square feet of pier area to create new open water in the Pier 15-35 area, of which at least 120,000 square feet would be removed within the Special Planning Study Area;~~
~~g. Recommendations regarding the preservation of historic piers and pier sheds resulting from further historic preservation studies to be conducted by the Port;~~
~~h. The possible designation of specified boundaries and pier area limits for potential future projects involving pier reconfigurations.~~

14. In recognition of the Port's public trust responsibilities to promote navigation, fisheries and maritime commerce, permit substitution of one maritime activity for another, as needed to meet changing maritime industry trends, subject to BCDC San Francisco Waterfront Special Area Plan fill provisions.

Page 58

Change Item 17:
Maximize efficient use of new and existing parking facilities in a manner that does not hamper maritime operations and minimizes adverse impacts on public access.

Modify last sentence of paragraph 1 under "Open Spaces and Public Access", and add additional sentence:
Under the McAteer-Petris Act and BCDC Bay Plan policies, ~~open space is a form of~~ public access, i.e., open space oriented towards the Bay either physically or visually, is generally required, and may ~~which can~~ be created on replacement fill or on minor amounts of new fill in BCDC's Bay jurisdiction. Open Water Basins, both existing (opposite Rincon Park, and Broadway) and new (adjacent to the Northeast Wharf and Brannan Street Wharf plazas) are also identified on Map B.

Page 59A

Changes Map B: Open Spaces and Public Access:
Add a new shading to the Map Legend for "Piers Designated for Removal". Add another new shading to the Map Legend for "Open Water Basins". Shade remaining unshaded portions of Embarcadero Promenade between the Agriculture Building and Pier 19 as an "Existing Open Space and Public Access" area.

Add the following text under "Notes":
The PortWalk is continuous between China Basin and Pier 35 and links the open spaces and public access on this map.

Change the following numbered text items under "Notes"; the planned improvements are italicized:
14 Pacific Bell Ballpark ~~planned~~ shoreline public access
17A Brannan Street Wharf and Open Water Basin
20 Embarcadero Promenade between Pier 22-1/2 and The Agriculture Building, and Rincon Point Open Water Basin
22 Ferry Terminal public access improvements and partial removal of Pier 2
24 Pier ½ public access improvements and partial pier removal
26 Pier 7 public access and fishing pier and Broadway Open Water Basin
27A Views across open water between Piers 15 and 17
28A Northeast Wharf Park ~~plaza (site to be identified in Pier 15-29 Special Study)~~ and Open Water Basin
35 *Fisherman's Wharf ~~Triangle Lot public access and open space improvements~~ opportunity to develop a major plaza through a planning process*

Page 61

Change paragraph 1:
To address existing shortcomings, the Waterfront Design & Access Element includes special emphasis on public access and open spaces. Policies in the Element call for creation of a "PortWalk", an integrated system of public access and open spaces through public and private investment, which includes a variety of open spaces, services and improvements to make them more attractive to the public. (See Chapter 3 of the Design & Access Element). The Port will be responsible for developing two new public plazas between Pier 35 and China Basin (the Northeast Wharf at Pier 27, and the Brannan Street Wharf, requiring the removal of Piers 34 and 36).

Change paragraph 3:
The main constraint to realizing this future has been insufficient ~~is the lack of~~ Port or City funds for these ambitious improvements. ~~While~~ Tthe Waterfront Transportation Projects have been paid for primarily with federal and state

transportation ~~funds, many of the other open space improvements have yet to secure financing~~. The Port actively pursues state and federal grants to fund public access projects, such as the $500,000 grant it recently secured for public access improvements at Pier 47A in Fisherman's Wharf. The Port should make efforts to obtain City Recreation and Park Department funds for open space acquisition, renovation and maintenance improvements. ~~However, it is anticipated that there will be fewer public funding programs available in the future. As a result,~~ Under this plan, the Port will have the opportunity to undertake ~~need to rely on~~ new revenue-generating developments to help create and maintain open spaces and public access improvements. As part of a joint planning process to establish consistent Port and BCDC planning documents, the Port will establish a fund to remove Piers 24, 34, and 36, and develop two new public plazas, the Northeast Wharf and Brannan Street Wharf plazas. Further details regarding the implementation of these public open space improvements is provided in Chapters 4 (Northeast Waterfront and South Beach Waterfront Subareas) and 5.

Page 62

Change Item 3:
North of China Basin, route pedestrian paths and circulation in Open Spaces and Public Access areas in new development projects to create a "PortWalk" that maximizes connections with the Bay, the pedestrian promenade along The Embarcadero, and the regional Bay Trail as indicated in the Waterfront Design & Access Element. As part of the PortWalk, create a "Bayside History Walk" public access element in projects within rehabilitated historic pier sheds and bulkhead buildings. Bayside History Walk improvements may be interior or exterior public access features that provide unique paths, interpretive exhibits, amenities and views to access and appreciate the waterfront's historic architecture and maritime heritage.

Change Item 4:
Provide public access around the perimeter of piers, wherever safe and feasible as indicated in the Waterfront Design & Access Element and the BCDC Special Area Plan.

Page 64

Change paragraph 2 of the Commercial Uses section:
. .For example, before the Port would grant a long-term lease for a commercial uses on a pier, it would determine whether the use promoted the public trust by attracting people to use and enjoy the Bay or was an incidental part of an overall program of harbor development. If the proposed use was to be located within BCDC's Bay jurisdiction north of Pier 35 or south of China Basin, or between Pier 35 and China Basin but outside the existing pier footprint, the use would also have to be water-oriented or located within an historic structures listed on the National Register of Historic Places, in addition to meeting other criteria....

Page 66

Change paragraph 4:
New public transit service ~~planned as part of the Waterfront Transportation Projects~~ will greatly improve access to new developments on Port property....Wherever parking is provided, appropriate efforts should be made to maximize the efficient use of new and existing parking and minimize adverse impacts on public access.

Page 69 *Change Item 7:*

Consistent with the Public Trust, encourage New Commercial Uses on piers or waterside properties, preferably as part of mixed-use developments, which include maritime activities and public access or open space amenities, primarily located in areas north of China Basin. In BCDC Bay jurisdiction north of Pier 35 and south of China Basin, or between Pier 35 and China Basin but outside the existing pier footprint, ensure that New Commercial Uses are water-oriented. ~~and meet~~ Developments are subject to other BCDC policies as set forth in the BCDC Special Area Plan.

Page 70 *Change Item 13:*

Advance "e" to "c" in the hierarchy, in recognition of its importance:

e Provide a continuous waterside pedestrian walk from Fisherman's Wharf to China Basin and in waterfront areas south of China Basin wherever possible.

Add a new "d" describing the Bayside History Walk:

d Create a Bayside History Walk to provide public access with interpretive amenities to quiet spaces behind and within historic maritime structures.

Re-letter "c" and "d" to become "e" and "f".

Page 72 *Change General Land Use Policies for Transportation Services, Item 2:*

Plan vehicle staging areas which minimize congestion on nearby streets and adverse impacts on public access.

Page 74 *Change paragraph 1, commencing with third sentence:*

~~However, there is no clear regulatory distinction between interim, short term uses and long term uses.~~ In addition, the San Francisco P~~p~~lanning C~~c~~ode ~~allows certain uses as temporary uses for up to two years~~ sets additional standards. Therefore, prospective tenants who would like to rent existing space for a 10 year period, for example, are subject to most of the same ~~time consuming and expensive application, government review procedures and exactions~~ regulatory processes as a developer who would like to pursue a new major development project which will have a 50 year life.

Change General Policies for Areas North of China Basin Channel and Within BCDC's 100 Foot Shoreline Band:

c. Considering longer term uses only in exceptional cases where there is thorough and public review pursuant to the Waterfront Plan Implementation Process outlined in Chapter 5....

d. ~~Work with BCDC to implement the Concept Agreement (discussed in Chapter 5) to adopt policies regarding its requirement for maximum feasible public access which~~ Recognizing ~~recognize~~ that interim uses cannot be expected to support the same level of public access improvements as permanent uses.

Page 76 *Change Item 8:*

Permit interim uses generally for periods of one to ten years, with exceptions for twenty to thirty years as needed to make productive economic use of the property, consistent with BCDC/MTC Seaport Plan policies where applicable....

Page 77 *Delete Item 10 and renumber subsequent Items:*
~~Amend the BCDC/MTC *Seaport Plan* to allow interim uses, as described in (8) above, for designated "Port priority" areas.~~

Page 83A *Amend Map D to 1) confine Bay Street Piers Mixed Use Opportunity Area to Piers 35 and 33; 2) create and shade a Chestnut/Lombard Street Piers Mixed Use Opportunity Area for Piers 31 and 27-29; and 3) remove shading from all piers proposed for full (Piers 24, 34 and 36) or partial removal (portions of Piers ½ and 2).*

Page 85 *Change "Subarea Boundary Map" to add "South Beach" and "China Basin" segments, separated by a dashed line, within the South Beach/China Basin Waterfront.*

Page 92-93 *Change Land Use Policies for The Fisherman's Wharf Waterfront (starting within the bottom paragraph of the page):*
Further consideration should be given to other ways to reconfigure at least some of the parking that is necessary for Wharf businesses, thereby freeing up more space for pedestrian and open space improvements, provided that the impact on existing parking that is necessary for ongoing tenant operations is addressed. Alternatively, more opportunities for valet parking should be explored elsewhere. Pursuant to ~~a Draft Concept~~ Agreements between the Port, BCDC and Save San Francisco Bay Association (discussed further in Chapter 5), the Port will work with the Fisherman's Wharf community to develop a major public plaza extending to the Bay in the area generally bounded by Jefferson, Powell, and Taylor Streets. This would involve establishing a planning process with participation by Port tenants, the San Francisco Planning Department, BCDC, Save San Francisco Bay Association, and other interested parties to address the major issues associated with such a plaza and to establish a plan and implementation program for creating the plaza, as part of an overall review of BCDC Special Area Plan policies in the Fisherman's Wharf Waterfront. ~~on the Triangle (Seawall Lots 300 and 301), with parking relocated underground. The plaza would occupy approximately 70% of the site and would be financed by revenues from a market hall or similar retail commercial development on the remaining 30%, consistent with the Waterfront Design and Access Elements. In addition, the Port will make efforts to extend the open space and public access onto Pier 43½. The door will be left open to negotiations with existing tenants, if they are amenable, about the feasibility of allowing an appropriate amount of additional revenue-generating space, in exchange for public access, open space or other significant public improvements.~~

Page 99 *Change Development Standards for the Fisherman's Wharf Waterfront:*
Pier 43½ and the Triangle/Seawall Lot 300 and 301
• Work with the Fisherman's Wharf community, the San Francisco Planning Department, BCDC, Save San Francisco Bay Association, and other interested parties to develop a new public plaza extending to the Bay in the area generally bounded by Jefferson, Powell, and Taylor Streets. ~~On approximately 70% of the Triangle (Seawall Lots 300 and 301) to implement the Draft Concept Agreement between the Port, BCDC, and the Save San Francisco Bay Association (discussed further in Chapter 5). The new plaza would require relocating existing surface~~

~~parking in an underground garage, and would be financed by a market hall or other retail commercial development on the remaining 30% of the site. Work with affected Port tenants~~ This planning process to define the design parameters and implementation of the park should be carried out in the context of updating and resolving BCDC and other planning issues in the Fisherman's Wharf subarea. These issues include ~~to meet~~ pier repair and maintenance, allowable uses, permanent and interim parking, vehicular circulation and other operational needs of affected businesses, including during the plaza construction period, identification of funding sources for the plaza, and development of a long-term management program (e.g., maintenance, security, event planning) for the plaza.

• With the existing long term lessee, explore the feasibility of allowing some commercial use in exchange for removing or replacing self parking at Pier 43½ with a smaller valet parking area to extend open space to the water's edge.

• Consistent with the Waterfront Design and Access Element, design the ~~Triangle~~ plaza and any new retail buildings with "transparent" design to provide views through the building to the Bay.

Page 104 *Update summary paragraph:*

~~Three~~ Four of the piers in this subarea continue to support industrial cargo ~~shipping~~ warehousing and cargo support operations, which are priority uses in the Plan. However if, as expected, cargo activities ultimately consolidate in the Southern Waterfront, the Plan encourages reuse of these piers. Prior to new development on these piers, ~~a Special Planning Study will~~ the Port will conduct a review process to determine how to meet cargo and maritime needs~~, the location of a major new open space in the area, and location and allowable reconfiguration of these piers~~. Any new mixed use developments will include....

Page 105 *Change introduction paragraph to the Northeast Waterfront guidelines to reflect change in status of Piers 27-29:*

Maximize opportunities for the retention of maritime operations.

The Northeast Waterfront has undergone great change in the last 25 years, like much of the formerly industrial waterfront north of China Basin. While several of the finger piers still support maritime functions, only ~~three~~ four piers continue to function exclusively as cargo-shipping related facilities: ~~Piers 27-29 are operated as a newsprint shipping terminal and~~ Piers 15- anH 17 ~~anH 19W23~~ pre mmPPP HP used for cargo warehousing and transshipment, and Piers 19-23 for the Port's Foreign Trade Zone.

Page 108 *Change paragraph 1, commencing with second sentence:*

. . . This should be accomplished by including the historic piers and structures in a National Register Historic District to be nominated by the Port, extending from Pier 45 to China Basin. On those piers surplus to industrial maritime needs, ~~integrating~~ other maritime activities should be integrated with commercial recreation activities, ~~on surplus piers, and requiring~~ with building and site designs which balance the need for new activities with the area's historic maritime character. Across The Embarcadero, ~~Fortunately,~~ many of the architecturally rich brick and concrete structures originally built for maritime and industrial operations have been renovated for modern office and retail uses,

thereby preserving the character of the existing City-adopted Northeast Waterfront Historic District, while establishing a strong economic base. . .

Change paragraph 3:
In spite of a shortage of waterside public amenities in the area, The Embarcadero is a magnet for bicyclists, skaters, walkers and joggers. While the Waterfront Transportation Projects will provide major aesthetic, transit and pedestrian improvements along The Embarcadero, there is a need to expand public access onto the piers themselves, including places for people to relax and enjoy the views, and experience the water's edge. A Northeast Wharf Open Water Basin should be created and the Broadway Open Water Basin maintained for the views they offer of and across the Bay.

Change final paragraph:
~~Where feasible, t~~The PortWalk should link the pier perimeters, offering pedestrians the pleasure of strolling leisurely from one activity to another, and connecting with the Waterfront Transportation Projects pedestrian improvements and the Pier 7 public access pier. The PortWalk would provide a new way for the public to enjoy the sights and sounds of the waterfront while allowing, but not requiring, interaction with the various entertainment and other activities which would be offered along the way. In addition, ~~if piers are no longer needed for cargo use between Piers 15 and 29, then a site should be planned for~~ the Pier 27 shed should be partially removed in order to create the Northeast Wharf, a major public open space that would be developed following ~~in conjunction with~~ new mixed use development on the site.

Page 110 *Change Table in left column to show Piers 15 and 17 as two piers:*
Piers 15- and 17

Change Table Notes, Item 4:
4 Uses are subject to further review for compliance with the Public Trust, BCDC and Planning Commission Policies, which will vary depending on factors specific to the use proposal such as ~~pier condition, extend of proposed repairs, and/or~~ the mix of uses, project design, any fill requirements, or whether the use is proposed within a National Register historic resource.

Change Table Notes Item 5:
5 The table identifies acceptable maritime and maritime support activities best suited to sites in this area. However, the Commission retains the authority to use Port sites for any maritime uses, subject to BCDC San Francisco Waterfront Special Area Plan policies regarding Open Water Basins and Other Open Water Areas, pp. __).

Add Table Notes Item 7 and a notation for Historic Ships at Pier 27-29, 29 ½, in the Acceptable Land Use Table:
7 Historic ships are not allowed at Pier 27, consistent with BCDC Special Area Plan policies.

Page 111 *Amend "The Northeast Waterfront Subarea" Map to 1) change shading of approximately one-half of Pier 23 shed and the Northeast Wharf plaza at the foot of Pier 27 from Transitional Maritime Areas to Other Public Access & Open*

Space Areas shading; 2) change remaining shading at Piers 27-29 from Transitional Maritime Areas to Waterfront Mixed Use Opportunity Areas; 3) change shading between the Waterfront Restaurant and Pier 9 from Waterfront Mixed Use Opportunity Areas to Other Public Access & Open Space areas; 4) remove Transitional Maritime Areas shading from the valley between Piers 15 and 17; and 5) label the Northeast Wharf and Broadway Open Water Basins.

Delete footnote (b):
~~(b) A Pier 15-29 Special Planning Study will be conducted to determine the location of a major new open space and open water area and Pier reconfiguration if the piers in this area no longer are needed for cargo related use.~~

Page 112 *Change Bay Street Pier Mixed Use Opportunity Area to exclude Pier 31, which will be added within a new Chestnut/Lombard Street Pier Mixed Use Opportunity Area to be inserted before page 114.*

Change paragraph 1, first sentence:
The Bay Street Pier Mixed Use Opportunity Area includes Piers 35~~,~~ and 33~~, and 31~~ and Seawall Lot 314....

Change paragraph 3, first sentence, to reflect retention of Piers 35 and 33:
If San Francisco captures more cruise business in the future, a modern terminal facility could be developed ~~by combining Piers 35 and 33, which would likely require some new fill between the piers~~.

Change last paragraph:
Pier 33 currently operates primarily as a warehouse, with maritime and general offices in the adjacent bulkhead building. In recent years, a number of fish processing businesses have also occupied this facility. ~~Pier 31 also currently operates as a warehouse facility and its long-term future use will depend on changes in the cargo shipping operations on adjacent piers to the south, or new public attractions on Piers 33 and 35 to the north. These~~ This warehouse~~s are~~ is a valuable revenue source~~s~~ for the Port, in light of the steady market demand that exists for storage facilities. Warehousing should therefore be permitted as an interim use ~~on these two sites~~.

Page 113 *Change third bullet on right:*
• Retain and reuse the Pier ~~31,~~ 33 and 35 bulkhead and connector buildings and sheds consistent with the historic preservation policies and site-specific design criteria in the Waterfront Design and Access Element. Develop criteria for rehabilitation and reuse of these historic structures, and include Bayside History Walk elements.

Pages 113A-B *Add new pages for the new Chestnut/Lombard Street Piers Opportunity Area, consisting of Piers 27-31.*

Chestnut/Lombard Street Piers Mixed-Use Opportunity Area

The Chestnut/Lombard Street Piers Mixed-Use Opportunity Area includes Piers 31 and 27-29. Pier 27 was built relatively recently, in the 1970s, and along with the adjoining large valley area between the Pier 27 and 29 sheds, is in very sound

condition. The 175-foot clear-span width within Pier 27 makes it a very valuable resource.

The neighboring mix of residential, office, athletic club and small-scale retail activities suggests a broad range of use opportunities. In addition, the Northeast Wharf plaza to be developed within a portion of the Pier 27 shed and adjoining valley, and the adjacent Northeast Wharf Open Water Basin, provide a tremendous public open space amenity and Bay views which will further enhance the character of new development.

Development should provide an integrated mix of maritime, commercial, open space and public access uses, which help to unite the waterfront with the rest of the City. There is opportunity for a unique and inviting waterfront mixed-use recreation project, integrating a varied mix of maritime and commercial uses and open space, including the Northeast Wharf plaza, oriented around active recreational pursuits. This mixed-use recreation could provide a venue for all San Franciscans and Bay Area residents to actively participate, individually or as groups, in diverse amateur recreational sports, physical fitness and related activities while enjoying the scenic waterfront setting. The Northeast Wharf plaza and the other open spaces included in such a development project would create opportunities for engaging in and viewing active recreational activities while enjoying expansive Bay views. New opportunities for recreational boating and other water uses may be created, while continuing maritime berthing alongside the remaining portion of Pier 27.

Development Standards

- Consistent with the Waterfront Design & Access Element, design new developments to respect and be authentic to the rich historic maritime industrial character of the Northeast Waterfront.
- Provide a mix of uses that reflect the cultural diversity of the City and the Bay Area, appeal to the local and regional population, and establish a daytime and nighttime presence, thereby providing entertainment and commercial recreation venues distinctly different from the more tourist-oriented activities found at Fisherman's Wharf.
- Include recreational boating, excursion boats, water taxis, historic and ceremonial ship berthing and other maritime uses to the maximum feasible extent. Provide facilities for a wide variety of active recreational activities; skateboard/rollerblade facilities and swimming and related aquatic sports are encouraged.
- Arrange and design uses on the Site to maximize public appreciation and enjoyment of the waterfront setting by offering new viewing opportunities, and to maximize visual connections and physical contact with the water.
- Create an approximately 2 acre "Northeast Wharf" public plaza on Pier 27, requiring removal of about 56,000 square feet of the Pier 27 shed. The Plaza design should be consistent with criteria in the Waterfront Design & Access Element, and should complement new development on the site. Provide unobstructed views from the Beltline Railroad Office Annex across the Northeast Wharf plaza to the Bay.

- Provide vistas from Lombard Street and The Embarcadero across the Northeast Wharf plaza to the Northeast Wharf Open Water Basin and the Bay.
- Provide a network of lively, usable open spaces, ranging from intimate to large-scale, indoors and outdoors, including Bayside History Walk elements. These open spaces should be oriented to on-Site and on-Bay recreational activities, both active and passive.
- Orient new development on Piers 27 – 31 toward The Embarcadero, and acknowledge the terminus of Lombard Street with a framed view of the Bay.
- Enhance connections throughout the site by maximizing the transparency of building walls and creating pedestrian passageways through and between buildings.
- Allow adjacent commercial uses (e.g., active uses such as shops, cafes, boat and skate rentals, kiosks) to spill into and activate the Northeast Wharf plaza and other open spaces, providing interest and enjoyment for users.
- Retain and reuse the historic bulkhead buildings at Piers 29 and 31, as well as the Pier 29½ connector building and the Beltline Railroad Office Annex, consistent with the historic preservation policies and site-specific design criteria in the Waterfront Design and Access Element.
- Promote the use of public transit as a primary mode of transportation. Minimize the intensity of automobile activity by minimizing on-site parking, and maximize the use of new and existing off-site parking facilities, consistent with development needs and minimizing adverse impacts on public access.
  a Arrange and design on-site parking facilities so that they are either enclosed or otherwise screened from view from The Embarcadero and the Bay.
  b Arrange and design vehicle access to the Site so that it does not generate significant new traffic congestion on The Embarcadero, or queuing along The Embarcadero.

Page 114

Change paragraph 3, commencing with second sentence:
For example, Pier 9 is a desirable location for ~~a sailing center where~~ boating services, boat rentals, transient boat berthing (including berths for large yachts), and sailing events could take place on the south side of the pier in full view of onlookers strolling along The Embarcadero and Pier 7. ~~A sailing center~~ This would complement the San Francisco Bar Pilots Association operations headquartered on the eastern portion of the pier....

Change paragraph 4, first sentence:
To a large extent, development of Seawall Lot 321 likely will depend on the future of the Piers 15- and 17 cargo warehouses....

Page 115

Change Development Standards in column 2, first and second bullet:
- Encourage publicly-oriented recreation and entertainment activities on Pier 9, and a Bayside History Walk element, which are compatible with the San Francisco Bar Pilots Association....
- Maintain and enhance views of the waterfront from Broadway across the Broadway Open Water Basin.

Page 116 *Change Development Standards for Transitional Maritime Uses, top of page:*

Piers 15-, 17, 19-23~~, 27-29~~

Although cargo-related operations at these piers should be allowed to remain as long as the Port determines them to be economically and operationally viable, there is a potential for the development of a mix of maritime, commercial, and public access uses on these piers, which also would meet the objectives for the Northeast Waterfront. As explained in Chapter 3, the purpose of the Transitional Maritime Area designation is to provide a process for determining ~~Pier 15-29 Special Planning Area Study is to resolve the following issues before the Port approves any new development on these piers: 1)~~ whether the piers will continue to be viable exclusively for maritime uses, before allowing long-term non-maritime development or other changes. ~~; 2) the location and size of a major new "Northeast Wharf" open space within potential new maritime mixed use development in the Special Study Area; and 3) the location and configuration of piers, including removal of pier area to create open water.~~

~~Piers 27-29 and 15-17 provide key opportunities for publicly oriented activities of the large surface area of each facility. Either site could be a location for a public market or family-oriented entertainment facility, which could include educational and cultural themes that distinguish the attraction from others which are geared toward tourists.~~

~~Piers 27-29 also could provide a desirable site for a modern cruise terminal. The site is large enough to meet the operational requirements of a new terminal, and provide for other publicly oriented commercial activities to maintain a lively presence in the area when ships are not in port.~~

Change "Development Standards" subheading to separate Piers 15 and 17, and delete "27-29"

Piers 15-, 17, 19-23~~, 27-29~~

- Operate Piers 15- and 17 as ~~a~~ cargo-support warehouse facility~~y~~ies as long as necessary, unless it is possible to relocate these operations to alternate upland locations, or to maritime areas in the southern waterfront.

Change third bullet:

- Continue tug and tow berthing and repair operations on Piers 15- and 17 or other piers in the Northeast Waterfront as long as possible and practical.

Page 117 *Change Development Standards bullets; first bullet, and subsequent items:*

• Pursuant to the General Policies of Chapter 3, ~~conduct a Pier 15-29 Special Area Study~~ conduct a review process to determine whether the Transitional Maritime Areas are no longer necessary for cargo shipping related uses, and pursue a mix of activities that achieve the following:

~~e Create a "Northeast Wharf" public open space on a site to be determined in the Pier 15-29 Special Planning Area Study.~~

~~f The removal of pier area to create open water.~~ Remove a portion of the Pier 23 shed bayward of the connector building to create a Northeast Wharf Open Water Basin, and the valley between Piers 15 and 17, to expand Bay views.

Change last bullet in right column:

- Promote public transit as a primary mode of transportation, and maximize the efficient use of new and existing parking facilities while minimizing adverse impacts on public access.

Page 119 *Change last paragraph:*

The historic pier shed, bulkhead and connector structures of Piers 1 through 5 are visually connected with the Ferry Building, . . . These buildings, together with the Ferry Building and Agriculture Building, will be included in the Port's nomination for a National Register Historic District for the area between Pier 45 and China Basin, and will be preserved according to the Secretary of the Interior's Standards . . .

Page 121 *Change paragraph 2, to reflect Open Water Basins and Ferry Building rehabilitation:*

Currently, there are many public access opportunities in this area, including the Embarcadero promenade, the Broadway and Rincon Point Open Water Basins, public access at Pier 3, the Ferry Plaza and Justin Herman Plaza....~~Unfortunately, pedestrian flow between The Embarcadero and the Plaza is impeded by parking along the south side of the Ferry Building, and the only access through the building itself is a dark, seven foot wide walkway in the middle of the south wing.~~

Delete paragraph 3, superceded by Downtown Ferry Terminal improvements:
~~A similar problem exists at Pier ½ on the north side of the Ferry Building, where parking lies between The Embarcadero and the North Ferry terminal. Because the public cannot walk along the Bay between the Ferry Building and Pier ½, ferry riders who go to the wrong terminal must return to The Embarcadero and walk around the Ferry Building to reach their destination. The challenge in these areas is to find the proper balance between parking and circulation, public access and open space.~~

Pages 124-25 *Delete final paragraph, which continues to top of next page, to reflect the rehabilitation of Pier 1 for Port and other offices:*

~~Currently Pier 1 is used for parking on an interim basis. However, to facilitate the rejuvenation of the area, it may be beneficial to allow this parking to remain over a longer period of time. Although other parking solutions should be examined, permitting some parking in Pier 1 may prove to be the most practical, effective and aesthetic way to address the parking needs in the area since the Pier building encloses and screens vehicles from view.~~

Page 125 *Add new last sentence to paragraph 2:*

. . . Public views from, through, and around the Ferry Building should provide new opportunities to observe maritime activities and the Bay. Portions of Piers ½ and 2 should be removed in order to enhance views of the Bay.

Page 126 *Delete Historic Ships as an "A" Acceptable Use at the Pier 5 Bulkhead/Pierhead.*

Change Table Notes, Item 4:

4 Uses are subject to further review for compliance with the Public Trust, BCDC and Planning Commission Policies, which will vary depending on factors specific to the use proposal such as ~~pier condition, extend of proposed repairs, and/or~~ the mix of uses, project design, any fill requirements, or whether the use is proposed within a National Register historic resource.

Change Table Notes Item 5:

5 The table identifies acceptable maritime and maritime support activities best suited to sites in this area. However, the Commission retains the authority to use Port sites for any maritime uses, subject to BCDC San Francisco Waterfront Special Area Plan policies regarding Open Water Basins and Other Open Water Areas, pp. __).

Page 127 *Change "The Ferry Building Waterfront Subarea" Map to 1) Change a portion of Piers ½ and 2 from Waterfront Mixed Use Opportunity Areas shading to a new "Piers Designated for Removal" shading; 2) include text designating the location of the Broadway and Rincon Point Open Water Basins, and 3) revise breakwater south of Ferry Plaza to be in accord with Downtown Ferry Terminal construction.*

Page 128 *Change last bullet on bottom left of page referring to "Ferry Building Mixed Use Opportunity Area":*

• ~~Consider reconfiguring~~ Reconfigure existing deck areas north and south of the Ferry Building to allow ~~restaurant patrons,~~ pedestrians and passersby to view maritime activities and the Bay.

Page 129 *Change Development Standards column 2 to add a new fourth and sixth bullet:*

- Maintain the Broadway Open Water Basin on either side of Pier 7.
- Include the Bayside History Walk in Piers 1-5.

Page 131 *Change the first sentence:*

Rincon Park will become a new City park in the burgeoning South of Market waterfront area, with breathtaking views of the Bay Bridge and Treasure Island across the Rincon Point Open Water Basin.

Page 132 *Change map of South Beach/China Basin Waterfront to add labels for "South Beach" and "China Basin".*

Page 135 *Update paragraph 5 to reflect completion of Pacific Bell Park and the ferry terminal in this introductory text. Port staff will develop other appropriate updates, e.g., to the China Basin Mixed Use Opportunity Area on Pages 149-151, at a later time:*

In 1996, the voters approved a ballot proposition to enable a ballpark to be built on a 13-acre site at China Basin on Pier 46B, two seawall lots and an adjoining City block. The ~~planned~~ 42,000 seat ballpark ~~will~~ includes an ancillary retail and commercial pavilion building. The decking on the south side of Pier 46B ~~will be~~ has been improved as a public access area, extending the PortWalk to the Lefty O'Doul Bridge and the China Basin Channel. A ~~planned~~ ferry terminal ~~will~~ enables ballpark visitors and others to ride across or along the Bay.

Page 138 *Change paragraph 1, line 5 and 6:*
...the waterfront promenade and scenic overlooks ~~to be~~ developed as part of the ballpark...

Change last sentence in paragraph 1, and add a preceding sentence:
Historic structures, e.g., Piers 26, 28 and 38, should include Bayside History Walk elements. In addition, Piers 34 and 36 should be removed to create a site for a new "Brannan Street Wharf" open space and Open Water Basin.

Page 140A *Change China Basin Waterfront Acceptable Land Use Table for Pier 36 to allow "Open Space" as an Acceptable Use; and delete Acceptable and Accessory Uses under all Maritime Uses and Commercial Uses listed.*

Change Table Notes, Item 4:
4 Uses are subject to further review for compliance with the Public Trust, BCDC and Planning Commission Policies, which will vary depending on factors specific to the use proposal such as 1) pier condition~~,~~ or extent of proposed repairs in the China Basin segment, ~~and/or~~ 2) the mix of uses, project design or any fill requirements in the South Beach segment, or 3) whether the use is proposed within a National Register historic resource.

Change Table Notes Item 5:
5 The table identifies acceptable maritime and maritime support activities best suited to sites in this area. However, the Commission retains the authority to use Port sites for any maritime uses, subject to BCDC San Francisco Waterfront Special Area Plan policies regarding Open Water Basins and Other Open Water Areas in the South Beach segment, pp. __).

Add Table Notes Item 7 and a notation for Historic Ships at Pier 30-32 in the Acceptable Land Use Table:
7 Historic ships are not allowed on the south side of Pier 32, consistent with BCDC Special Area Plan policies.

Page 141A *Change "South Beach / China Basin Waterfront Subarea" Map to 1) Change Piers 24, 34 and 36 shading from Waterfront Mixed Use Opportunity Areas to a new "Piers Designated for Removal" shading; 2) add a label for the Brannan Street Wharf plaza and Open Water Basin; and 3) add labels for "South Beach" and "China Basin" segments of the subarea.*

Page 146 *Change "The Bryant Street Pier Mixed Use Opportunity Area", paragraph 3, first sentence:*
Piers 34 and 36 should be removed in order to create a major Brannan Street Wharf open space and Open Water Basin.

Page 147 Change fourth bullet:

- As discussed in the Waterfront Design & Access Element, demolish Piers 34 and 36 to create a Brannan Street Wharf open space and Open Water Basin, integrated with the Embarcadero Promenade and the public access and shoreline improvements for new development on Piers 30-32 and 38.

Page 148 *Change last bullet:*

- Apply the following "Good Neighbor" Standards to bars, restaurants which sell alcohol...on Piers ~~36,~~ 38 and 40....

Page 173 *Change regular font paragraphs:*

The legislative process began in 1990 when San Francisco voters adopted Proposition H, calling for preparation of a land use plan for a portion of the Port's property. Since the Port Commission adoption of the Plan in 1997, the city has approved amendments to the City's *General Plan* and City Planning Code to allow project implementation consistent with the Waterfront Plan. ~~Further efforts are underway to develop conforming~~ In addition, amendments to the Bay Conservation and Development Commission's plans and policies, consistent with the ~~Concept~~ Agreements discussed in this Chapter~~, for review and action by BCDC,~~ were adopted for the Northeast, Ferry Building, and South Beach Waterfront subareas.

The legislative, plan amendment ~~process~~ and ~~the~~ site-specific development processes necessary to fully implement the Waterfront Land Use Plan are discussed more fully below.

Page 174 *Change Item 3:*

Bay Conservation and Development Commission's (a) San Francisco Bay Plan; (b) San Francisco Waterfront Special Area Plan; (c) San Francisco Waterfront Total Design Plan; and (d) ~~Seaport Plan; and (e)~~ Regulations.

Page 176 *Change text concerning Amendments to BCDC Plans, with all instances of "Concept Agreement" changed to "Agreements" on this page and the next:*

In 1996, the Port and BCDC entered into an agreement which identified BCDC policies and regulatory issues that have been the subject of intensive review and discussion. At the invitation of the Port and BCDC staff, Save San Francisco Bay Association joined these discussions, which resulted in the signing of a Draft Concept Agreement ~~("Concept Agreement")~~ by the three major parties in December 1996. ~~The Concept Agreement, included as Appendix E, will enable implementation of the Waterfront Plan consistent with the McAteer-Petris Act.~~ The three parties then prepared a Draft Framework Agreement in December 1999 and Principles of Agreement in April 2000 (the "Agreements").

The ~~Concept~~ Agreements ~~served~~s as the basis for amendments to the *BCDC San Francisco Bay Plan,* and *San Francisco Waterfront Special Area Plan,* ~~and~~ the rescission of the *San Francisco Waterfront Total Design Plan* (Piers 7 to 24), and the 2000 amendments to this Plan. To develop consistent policies, Planning Commission staff ~~are~~ also participate~~ding~~ in discussions of some of the ~~Draft Concept~~ Agreements' provisions that affect *General Plan* policies or important Planning Commission concerns. The ~~Concept~~ Agreements provisions ~~are guided by~~ established the shared goals listed below, each of which is accompanied by a summary of how the goal is implemented in this Waterfront Plan, or ~~could be achieved through amendment of~~ other City or BCDC ~~laws,~~ regulations~~,~~ or planning documents. ~~The Port, BCDC, and Save San Francisco Bay have continued discussions to develop further details of the Concept Agreement for inclusion in the BCDC plan amendments.~~

Create the Design & Access Element of the Waterfront Plan consistent with the ~~Concept~~ Agreements including but not limited to the location of significant views and vistas, location of open water, new public access concepts, new public plazas and overall design. The Waterfront Design & Access Element (Design & Access Element) of this Plan includes policies, qualitative standards and site-specific design criteria which address each of these design elements.

• *Remove piers to create more open water.* The Waterfront Plan and Design & Access Element includes policies for the removal of Piers 24, 34, 36, portions of Piers ½ and 2, a portion of the Pier 23 shed, and the valley between Piers 15 and 17. ~~And up to an additional 210,00 square feet of pier area between Piers 9 and 35, including as least one pier in the Pier 15-29 Special Planning Study Area.~~

• *Create new public plazas on the waterfront.* The Waterfront Plan and Design & Access Element identifies a number of future public plazas and parks to be developed on Port property, including a Brannan Street Wharf in the South Beach area, Northeast Wharf ~~to be located on a site within the~~ at Pier 27 ~~15-29 Special Planning Study Area~~, and an opportunity for a plaza ~~on Seawall Lots 300 and 301~~ extending to the Bay within the area bounded by Jefferson, Powell, and Taylor Streets in Fisherman's Wharf.

Page 177 *Continue changes from previous page:*

• *Improve the design, location and amount of public access on piers.* The Design & Access Element and BCDC's Special Area Plan includes public access policies and standards ~~which require~~ for new developments on piers ~~to dedicate at least 25% of the pier area to public access~~. Additional policies, standards and site-specific design criteria in this Plan, BCDC's Plans and the City's General Plan identify locations and provide design direction for developing public access improvements, which will be applied to specific projects though the joint City/Port/BCDC design review process. ~~In addition, s~~Shorter-term interim uses within existing Port facilities which generate a substantial increase in the need for public access will continue to provide maximum feasible access consistent with the project. ~~Further discussion with BCDC and Save the Bay are underway to define the interim use projects that will be subject to this requirement. Those discussions will include how the Port's commitments under the Concept Agreement to produce new public open spaces and remove piers can satisfy~~ Public access ~~requirement~~ for smaller, interim use projects which create little or no need for new public access (e.g., changes of lease holders in pier sheds where the use remains generally the same and intensity of use is relatively the same) will be defined and addressed though an expedited BCDC permitting process such as a region-wide permit.

~~• *Develop new rules governing land uses on existing piers.* As described above, acceptable uses on existing piers will be are clearly defined by identifying which piers fall within the BCDC Bay and shoreline jurisdictions, based on their physical conditions~~.

• *Develop means to protect historic resources on the waterfront.* The Design & Access Element includes Port-wide policies to protect historic resources, as well as specific policies and design criteria to direct the Port's preservation efforts in two areas: Fisherman's Wharf to China Basin, and Pier 70. The Port will prepare materials to nominate a National Register Historic District between Piers 45 and China Basin by June 2002. Any resources (e.g., bulkhead buildings, pier sheds) which are listed on the National Register of Historic Places and are within BCDC's Bay jurisdiction would be eligible for an exemption from BCDC's water-oriented" use requirements, regardless of location on the waterfront, to assist efforts to preserve historic resources.

• *Develop new rules for use, replacement fill and pier repair and reconstruction ~~and reconfiguration~~.* As discussed in the introduction to Chapter 3, BCDC's current "Replacement Fill Policy" for pile-supported piers, contained in the Bay Plan, would be ~~replaced~~ supplemented, if within the Northeast or Ferry Building Waterfronts or the South Beach segment of the South Beach/China Basin Waterfront, with a new Bay Plan policy. T~~t~~hat ~~clearly defines BCDC's use authority on piers based on pier condition and whether structural changes or reconfigurations of piers are proposed~~ policy would allow uses consistent with the Public Trust Doctrine and the Port's legislative trust grant, the Burton Act, if BCDC adopts a Special Area Plan providing substantial public benefits not otherwise achievable through its regulatory process. To increase certainty at an early stage for major development projects, the Port may request a pre-application public hearing and BCDC concurrence that the use is consistent with the Public Trust Doctrine and the Burton Act. BCDC's Replacement Fill Policy and water-oriented use requirements will continue to apply to other areas of the waterfront.

• ~~All Piers lying north of Pier 70 have been identified as either Category 1 piers or Category 2 piers. Upon adoption as part of the Bay Plan and Special Area Plan amendments pursuant to the Concept Agreement, Category 1 piers will be treated for permit purposes as lying within the BCDC shoreline jurisdiction; Category 2 piers will fall within BCDC Bay jurisdiction, with specified provisions to allow the Port to conduct basic maintenance and repairs without invoking BCDC water-oriented use restriction.~~ Within the Northeast and Ferry Building Waterfronts and South Beach segment of the South Beach/China Basin Waterfront, the public access and open water provisions currently embodied in the Replacement Fill policy ~~will be~~ have been supplemented ~~replaced~~ with the above-described ~~commitments~~ policies to create new open spaces, remove piers to create new Open Water Basins and other open water areas, and provide on-site public access guarantees ~~according to~~ consistent with the Design & Access Element and the BCDC Special Area Plan. ~~In addition, the Concept Agreement calls for pier perimeter boundaries and pier area limits for specified sites in the Design & Access Element.~~

Change footnote b:

b Only up to 50% of the area of the pier being ~~removed~~ replaced could be used for Bay-oriented commercial recreation…

Page 178

Continuation from previous page:

~~These boundaries and areas are under discussion and will be incorporated (as proposed or amended per further discussion) into the Special Area Plan. Together with other Concept Agreement provisions, pre-defined pier reconfiguration parameters will increase certainty in the development process and help the Port to formulate approvable projects.~~

~~The proposed amendments to~~ BCDC plans ~~are anticipated to be~~ were amended concurrent with the July 2000 Waterfront Plan amendments ~~submitted for adoption in late 1997~~. BCDC also will seek approval of the San Francisco Special Area Plan by the Port and Planning Commissions, to ensure consistency with the Waterfront Plan and San Francisco General Plan.

To carry out the pier removals, and Northeast Wharf and Brannan Street Wharf public plazas identified in the Port and BCDC's plans, as amended on *[insert date of approval]*, the Port will provide funding and/or obtain funding from other sources. The Port will contribute to the fund a total of $30 million over a 20-year period at a rate of approximately $1.5 million per year. The fund obligation will be adjusted according to the Engineering News Record (ENR) construction cost index for the Bay Area. The Port will complete each of the pier removal and plaza projects by no later than the dates indicated below, and will aggressively seek grants and other funding to accelerate their implementation:

- Remove Pier 34 within one year of [*insert date of adoption of BCDC plan amendments*].

- Upon obtaining a BCDC permit for the major reuse of Piers 30-32: 1) remove Pier 24 within 5 years; 2) remove Pier 36 within 10 years; 3) construct the Brannan Street Wharf plaza within 20 years.

- Upon obtaining a BCDC permit for the major reuse of Piers 27-31, which should include reasonable provision for vehicle access to the project site: 1) Remove the portion of the Pier 27 shed required to create the Northeast Wharf Park plaza, and make it and the pier perimeter area and the area adjacent to The Embarcadero described in Chapter 4 of this Plan and in BCDC's Special Area Plan, pp. __, accessible and useable by the public prior to the Port issuing a certificate of occupancy for the Pier 27-31 development; 2) construct the Northeast Wharf Park within 10 years; 3) Remove a portion of the Pier 23 shed bayward of the connector building to create views within 15 years; and 4) Remove the deck and pilings that form the "valley" between Pier 17 and 15 within 20 years.

- If the major reuse of Piers 30-32 development precedes the major reuse of Piers 27-31 development, then, the time obligations for completing construction of the Northeast Wharf Park and Brannan Street Wharf plaza may be exchanged. In addition, to take advantage of unforeseen opportunities and with the mutual consent of the Port and BCDC, the time performance obligations described above may be modified.

In addition, the Port will initiate preparation of nomination materials for a National Register Northern Waterfront District from China Basin through Pier 45, for listing on the National Register of Historic Places. The nomination will be submitted by June 20, 2022, and the Port will strive to submit the nomination by June 30, 2001.

To expedite major projects that require permits from BCDC, the Port and BCDC will coordinate with the San Francisco Planning Department to achieve the following:

- BCDC review and advice to the Port on development and design objectives in Requests for Proposals issued for waterfront projects;

- In conjunction with the State Lands Commission, BCDC review and advice at the pre-application stage on consistency requirements of BCDC plans and regulations;

- Coordination and review of BCDC and City/Port design review of proposed waterfront projects, consistent with BCDC's Design Review Board process and the City's Waterfront Design Review Process set forth in San Francisco Planning Code Section 240.

Change first sentence under "Site-Specific Development Process for Plan Implementation:
Implementation of the Plan requires ~~legislative~~ action by BCDC, the City and the Port to incorporate the Agreements into each agency's ~~P~~plan~~s,~~ policies and objectives ~~into the existing regulatory framework~~.

Page 179

Change Item 3:
Urban design policies and design guidelines, as outlined in the Design & Access Element of the Waterfront Plan and the BCDC Special Area Plan, should be considered in identifying development concepts and … request for proposals.

Add second sentence in Item 4:
Port staff should take an active role in soliciting thorough review by the Planning Department, BCDC, and other agency staffs, as appropriate, when the feasibility of potential development concepts is being analyzed. This should include, as needed, joint staffing of advisory committee meetings and early consultation on major development project requests for proposals.

Change Item 8:
A coordinated design review process should ~~be established that~~ avoids reliance on sequential review by each agency….

Page 181A

Change Figure A Waterfront Plan Implementation Process to 1) initiate interagency review in 2 Conducting Development Feasibility Analysis; 2) add BCDC's pre-application consideration of public trust aspects of a development project in 3 Refine Development Project; and 3) amend 7b:
Coordinated design review process (by ~~Port's design review panel, coordinating with~~ the City's Waterfront Design Advisory Committee and BCDC's Design Review Board~~, Planning Department, and other agency design reviews~~)

Page 184 *Change "Figure C – Bay Conservation and Development Commission Evaluation" flowchart:*

Change "Shoreline Band Jurisdiction" box:
SHORELINE BAND JURISDICTION
~~(Would apply to Category 1 piers per Concept Agreement, See Appendix E.)~~
Does the Use Provide Maximum Feasible Public Access and, where applicable, is the use consistent with a priority use designation?

Change "New Fill" box:
NEW FILL
(Including fill outside existing pier footprints between Pier 35 and China Basin)
Is the proposed fill:
- The minimum necessary to achieve its purposes in accordance with BCDC Bay Plan policies as to ~~Bay related purposes~~ water-oriented uses? (e.g. Ports ~~Facilities~~)

Or
- A minor amount necessary to improve shoreline appearance or public access?

And
- Is maximum feasible public access provided, consistent with the project?

Change "Replacement Fill" box:,
REPLACEMENT FILL
~~(Would apply to Category 2 piers which undergo substantial repair, per BCDC Concept Agreement <See Appendix E>)~~
Is the use water-oriented, public recreation or open space and consistent with maximum feasible public access and other BCDC criteria for uses on replacement fill?

Add new box entitled "Fill for Pier Repair or Reconstruction between Pier 35 and China Basin", preceding the "No Fill" box:
FILL FOR PIER REPAIR OR RECONSTRUCTION BETWEEN PIER 35 AND CHINA BASIN
Is the proposed fill:
- Within the existing pier footprint?
- For a use consistent with the Public Trust Doctrine and the Burton Act?

And
- Is maximum feasible public access provided, consistent with the project?

Add new "Yes" and "No" boxes associated with the "Fill for Pier Repair. . ."box:
YES
BCDC may permit the project.
NO
BCDC could not permit the project.

Change BCDC phone number contact at bottom left of page to (415) 352-3600.

Page 211 *Delete Appendix E "Draft Concept Agreement" – pages 211 to 215.*

Page 216 *Update Acknowledgements section*

Waterfront Design & Access Element Proposed Amendments

Note: These Amendments reflect BCDC Plan amendments and prior Port Commission actions. **Deletions** from adopted text are shown by ~~strikeouts~~ and **Additions** by underscores.

Page 6

Reorganize bullets in left margin to read as follows:

Adopted Public Plans

- Port of San Francisco Waterfront Land Use Plan~~, April 1996~~
- San Francisco General Plan
- BCDC Bay Plan and Special Area Plan (SAP)

Other Related Urban Design & Public Access Documents

- Waterfront Plan Workshop Reader, December 1994
- Fisherman's Wharf Urban Design Plan, Skidmore, Owings & Merrill, May 1989
- ~~BCDC Total Design Plan for Piers 7-24, May 1986~~
- BCDC Public Access Design Guidelines, September 1985
- The Embarcadero Plan, SFAIA April 1986
- Waterfront Transportation Projects – Urban Design Review of Overall Project, Sasaki & Team, December 1991
- Signing Study for The Embarcadero, Sasaki & Team, January 1995
- Waterfront Transportation Projects Urban Design – Design and Development Guidelines, Bechtel, 1988
- Central Embarcadero Urban Design Strategy, ROMA, June 1993

Page 7

Modify second paragraph:

Other Public Agencies

The San Francisco Planning Department and BCDC also have jurisdiction over many aspects of waterfront development. The Planning Department ~~will~~ has worked with the Port to ensure consistency between its planning documents (the San Francisco General Plan and Planning Code) and the Waterfront Plan and Design & Access Element. Likewise, BCDC ~~will~~ has worked with the Port to ensure consistency between its planning documents, ~~(~~the Bay Plan and Special Area Plan (SAP), and the Waterfront Plan and Design & Access Element. Amendments ~~will be necessary~~ have been adopted by the Port, Planning Department and~~/or~~ BCDC ~~documents~~ to ensure such consistency. ~~Upon achieving consistency with other agencies' documents, t~~Port projects must be consistent with all these plans. The Design & Access Element ~~will be~~ provides ~~the set of~~ design standards that can be used by the Port, the Planning Department ~~Commission~~ and BCDC in a coordinated project review process to shape and evaluate new waterfront development projects.

Page 17

Modify "City Connection Areas":

Northeast Wharf

A new waterfront open space will be located ~~between~~ at Piers ~~15 and 29 if new development occurs on piers in this area.~~ 27, and include removal of a portion of the pier shed. It will provide a connection to the waterfront and views of Treasure Island for residents, workers and visitors to the base of Telegraph Hill area.

Ferry Building

The Ferry Building is the focal point of the area. This historic landmark building and its environs will be restored as a regional transportation hub with public and commercial

uses, a grand boulevard and a new public plaza. Views from Herb Caen Way to the Bay will be enhanced.

Page 21

Change second paragraph re ***Sequence****:*
Create a sequence of major open spaces and Open Water Basins that occur frequently and regularly at significant points along the waterfront. East Wharf Park at Pier 39, Pier 7, the Ferry Building (Harry Bridges) Plaza and South Beach Park are major existing open spaces north of China Basin. They will soon be joined by ~~a major plaza in front of the Ferry Building and~~ a landscaped park at Rincon Point. Additional future open spaces at Fisherman's Wharf, Northeast Wharf ~~in the Pier 15 to 27 area~~ at Pier 27, Brannan Street Wharf ~~at the terminus of Brannan Street~~, and in the Mission Bay area also will contribute to this network. These open spaces will be complemented by a variety of smaller open spaces on piers and in other locations along the waterfront. Existing Open Water Basins at Broadway and Rincon Point will be complemented by new Open Water Basins at the Northeast Wharf and Brannan Street Wharf, and new open water areas between Piers 15 and 17 and at Piers ½, 2 and 24.

Page 22

Insert at end of first paragraph:
Additional criteria are included in the BCDC SAP in its General Policies, pp. ___, in its Geographic-Specific Policies for Fisherman's Wharf (pp. __) and the Southern Waterfront (pp. __), and elsewhere as indicated in the standards which follow.

Insert as final sentence under ***Required Public Access****:*
Also see BCDC SAP Northeastern Waterfront "Public Access Policies", pp. __)

Insert as final sentence under ***Area Identity****:*
Also see BCDC SAP Northeastern Waterfront "Waterfront Design Policies, Waterfront Form and Structure", pp. __)

Add a new item, titled "Open Water Basins":
Open Water Basins To preserve views of the Bay as the predominant features between Pier 35 and China Basin, create Open Water Basins within which new fill should be limited, consistent with BCDC SAP Northeastern Waterfront "Open Water Basin Policies", pp. _____.

Page 23

Insert as final sentence under ***Views****:*
Also see BCDC SAP Northeastern Waterfront "Waterfront Design Policies, Views Policies", pp. __)

Page 24

Insert in first paragraph following the third sentence regarding 'PortWalk' public access on piers:
It will include a 'Bayside History Walk" on finger piers, to provide access behind and within historic buildings.

Change second paragraph:
New public access and PortWalk improvements will be created as Port Property is redeveloped with new uses. New developments on finger piers will be required to provide public access on the pier apron, the Bayside History Walk, and an additional public access facility consistent with the project and size of the pier (see BCDC SAP PortWalk and Bayside History Walk, pages __; Public Access for Major Projects on Piers, pages __; Public Access for Small Projects on Piers, Maritime Uses and Interim Uses, pages __; and Public Access Siting and Design Policies. pages __. ~~a least 25% of the pier~~. For larger ~~existing or reconfigured~~ piers, it is expected that ~~more~~ a higher proportion of public access will be necessary than for finger piers~~; the recommendation for the entire area dedicated to public access will be made through the joint review process conducted by the Port, the San Francisco Planning Department and BCDC~~.

Page 25

Delete the "Combination of PortWalk/Circulation and Destination Areas on Piers" section and associated sketches, as duplicative of two preceding sections, and insert a new PortWalk/Bayside History Walk section with accompanying illustrative sketches:

Bayside History Walk

The Bayside History Walk can be incorporated into pier developments to provide public access to the Bay's intimate and quiet spaces behind historic bulkhead and connector buildings and provide views of the inner structure of these unique physical assets of San Francisco's maritime history. This Walk can be a self-guided tour of the waterfront with historic photographs, explanatory text and maritime artifacts. At right are illustrative examples of where this Walk could occur.

Page 26a

Changes to Public Access and Open Space Map:

10. ~~Triangle Lot, Piers 43 & 43 – Public Access Areas~~ Fisherman's Wharf Plaza Opportunity

~~**New Open Water Areas**~~ **Existing and Planned Open Water Basins and Pier Removals** ***(Planned Open Water Basins and Pier Removals are italicized)***

~~A. Northwest Wharf area – location to be determined in the Pier 15-29 Special Planning Study.~~ *Northeast Wharf Open Water Basin and Pier 23 partial removal*

B. Piers 15 and 17 "valley" ~~Pier 24~~

C. Broadway Open Water Basin (Piers 3-9)

D. Pier1/2 and 2 partial removal

E. Rincon Point Open Water Basin

F. Pier 24 removal

G. Brannan Street Wharf Open Water Basin and Piers 34 and 36 removal

Page 27

Change listing of Waterfront Parks and Plazas, under ***Future*** *column:*

10 ~~Triangle Lot, Piers 43 & 43 –~~ Fisherman's Wharf Plaza

~~A new open space~~ Opportunity to develop a major public plaza extending to the Bay in the area generally bounded by Jefferson, Taylor and Powell Streets and the Bay in Fisherman's Wharf. ~~The initial phase will be a plaza on approximately 70% of the Triangle Lot, financed by development on the remaining site area. The long-term goal is to expand the open space to the water's edge.~~

14 Northeast Wharf

A new plaza to be developed by the Port adjacent to The Embarcadero ~~between~~ at Piers ~~19 and~~ 27 in the Northeast Waterfront area.

Page 29

Add at end of first paragraph:

The Bayside History Walk extends into quiet spaces within and behind historic bulkhead and connector buildings.

Page 30

Modify Natural Areas and New Open Water:

Natural Areas, Open Water Basins and New Open Water

Change ***Existing*** *column:*

Add **Broadway Open Water Basin** Piers 3 to 9

Add **Rincon Point Open Water Basin** Downtown Ferry Terminal Breakwater to Pier 22½ Fire Boat House

Change ***Future*** *column:*

Open Water Basins and New Open Water

A ~~Pier area to be determined in the Northeast Waterfront during the Pier 15-29 Special Planning Study (see pp. 72-73);~~ **Northeast Wharf Open Water Basin** Piers 19-27,

partial removal of Pier 23 shed (and potentially the underlying pier decking and piles)

B. **Piers 15 and 17 "Valley"** removal of decking and piles between the piers, 1950s building additions also to be removed ~~Pier 24; and~~
C. **Broadway Open Water Basin** Piers 3-9
D. **Pier ½ and 2** partial removal
E. **Rincon Point Open Water Basin** Downtown Ferry Terminal Breakwater to Pier 22½ Fire Boat House
F. **Pier 24** removal
G. **Brannan Street Wharf Open Water Basin** removal of Piers 34-36

Page 31 — *Add additional sentence under **Future** column:*
Up to four additional historic ships between China Basin and Pier 35, outside the Open Water Basins

Page 35 — *Relocate a Major New Views map icon from between Piers 17 and 19 to the valley between Piers 15 and 17 and to Pier 27, and delete text,* "~~Location is subject to the Pier 15-29 Special Study Area~~" *and footnote* "~~The location of the view sites in the Northern Waterfront will be further reviewed in the Pier 15-29 Special Study Area.~~"

Page 36 — *Delete notation* "~~Lombard Street view is subject to the Pier 15-29 Special Study Area.~~"

Page 39 — *In paragraph two after the first sentence, add Bayside History Walk views:*
In addition, the Bayside History Walk will offer views of the inner structure of historic bulkhead and connector buildings and of the Bay.

Relocate proposed View Interval Points map icons from north of Pier 27-29 Beltline Rail Road Office Building to the south of that building; and from Piers 30-32 to Piers 34-36.

Page 41 — *Modify the Port-Wide Historic Resources Policies:*

Formal Recognition

Nominate significant historic resources to the National Register of Historic Places.
The Port will work with the State Historic Preservation Office, local historic preservation agencies, and other waterfront constituencies, to nominate significant resources for formal recognition individually and as historic districts, including a Northeast Waterfront National Register Historic District from Piers 45 to 48, and to identity options for coordinating policy for these resources, including programmatic agreements for two areas: Fisherman's Wharf to China Basin, and Pier 70.

Information

Help San Franciscans understand and enjoy their heritage, by providing interpretive signage and informational displays about the waterfront's cultural and natural history.
Depending on the character of specific subareas, interpretive exhibits may focus on maritime, commercial, labor, or industrial history. They will be provided throughout the waterfront. Key locations for exhibits are Fisherman's Wharf, the Ferry Building, ~~and~~ Pier 70, and along the Bayside History Walk.

Page 42

Modify entire page:

Port-wide Historic Resources Summary

The nation's official inventory of significant historic resources is the National Register of Historic Places (National Register). ~~Three~~ Four Port buildings—the Ferry Building, Agriculture Building, Pier 1 and Beltline Roundhouse—are already listed on the National Register. In addition, the Seawall (not shown) is eligible for the National Register. ~~In 1996, the Architectural Resources Group (ARG) prepared a historic resources database report (the ARG report) for the Port which identified other waterfront buildings labeled on the map below as potentially eligible for listing on the national Register, either individually or as contributors to an historic district. The ARG report recommended consideration of two potential national Register historic districts: one extending from Pier 45 in Fisherman's Wharf to Pier 48 in China Basin, and another at Pier 70. The purpose of the ARG report was to create an inventory of potentially eligible resources; ARG's scope of work did not include analysis of policy issues. Further study must therefore take place to determine how the Port should balance historic preservation goals with other goals of the Waterfront Land Use Plan and with state mandated public trust responsibilities to promote maritime commerce, navigation and fisheries, and to protect natural resources and develop recreational facilities for public use~~. Port staff are preparing a nomination for a National Register Historic District for the Pier 45 to 48 area, including but not limited to the Ferry Building, Agriculture Building, Beltline Roundhouse and Office Annex, Fire Boat House, Seawall, Pier 43 Ferry Arch and Piers 1-5, 9, 15-23, 29-35, 45, 26-28, 38 and 48 in consultation with the State Office of Historic Preservation. Further analysis is underway for the Pier 70 area as part of initiating a request for development proposals.

Within the map, add a category in the legend for "Other Potentially Eligible Resources", and shade Piers 17, 29 and 35 to be within the category. Delete Map labels for "~~Bulkhead at Pier 35~~" and "~~Bulkhead and Connector Building at Pier 29~~". Add map label for "Shed at Pier 17". Revise map label "Bulkheads, Connector Buildings and sheds at Piers 29, 31-33, 35".

Page 44

Within the map, delete categories in legend for "~~Resources for Further Evaluation~~" *and* "~~Further Study Area~~". *Shade the Seawall, Piers 29-35, the upper portion of Pier 23, Piers 9-19, Pier 1, Piers 26-28 and Pier 38 as* "Resources to Retain and Reuse."

Page 45

Change Fisherman's Wharf to China Basin Historic Resources Policies:

Preservation to The Secretary of the Interior's Standards

Preserve, rehabilitate and adaptively reuse the following resources consistent with the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings (Secretary's Standards): The Ferry Building, Agricultural Building, Beltline Roundhouse, and Fireboat House; Bulkhead Buildings and Connectors 1-5; Pier Shed at Pier 1; Bulkhead Buildings and Pier sheds at Piers 45 and 48. Pier 45 was upgraded and seismically retrofit in 1995 and seismic retrofit of Pier 48 is scheduled for completion in 1997. Rehabilitation and reuse of the Ferry Building is a top priority of the Waterfront Land Use Plan

Bulkhead Buildings and Pier Sheds

Retain and reuse the historic bulkhead buildings and pier sheds at Piers 9, 15, 17, 23 (partial), 29, 31, 33, 35, 26, 28, and 38, the Ferry Arch, and the Neoclassical connector buildings (Piers 29 1/2 and 33 1/2).

~~Piers, Pier Sheds, and~~ Fishing Industry Buildings

Further evaluate ~~the historic piers and pier sheds, and~~ specific Fisherman's Wharf buildings associated with the early fishing industry, including analysis of the potential for rehabilitation, adaptive reuse, and economic development.

Next Step: Further evaluate ~~pier sheds on Piers 1, 9, 15, 19, 23, 31, 33, 26, 28, 38, and~~ specific Fisherman's Wharf buildings associated with the early fishing industry (the fishhandling building on the north side of Fish Alley, shed buildings at 2909, 2915, and 2921 Jones Lane between Jefferson Street and Pier 47, and Fisherman's Grotto No. 9 at 2851 Taylor Street), considering historic significance, architectural features, relationship to other resources, economic development, City pattern, structural condition, financial feasibility and compatibility of reuse with maritime activities, views, and public access, and with other goals of the Waterfront Land Use Plan, to develop recommendations for preservation, reuse and/or replacement.

Page 51 *Modify illustrations of policies that allow changes to piers that are sensitive to the historic and industrial character of the piers and pier sheds:*

Pier Shape
~~Design new development involving pier reconfigurations to create pier shapes which~~ Any extensions beyond existing pier shapes should visually complement the linear, rectangular form of the historic finger piers and ~~do~~ not detract from San Francisco's unique city pattern.

Historic Preservation
~~Further evaluate~~ Retain and reuse the historic piers and pier sheds~~., including the potential for adaptive reuse to develop recommendations for pier preservation.~~

Page 56 *Modify Urban Design Features and Map regarding Fisherman's Wharf plaza and focal points:*
Urban Design Features:
• Opportunity for m~~M~~ajor open space ~~proposed at the Triangle Lot~~ within the area bounded by Jefferson, Taylor, and Powell Streets extending to the water's edge.

(caption for diagram)
~~Triangle Open Space~~ The waterfront edge & Pier 45 are Area Focal Points

Page 57 *Update the last sentence of the third paragraph for the F-line:*
~~The City is nearing completion of t~~ The F-line historic streetcar ~~which will~~ provides public transit along The Embarcadero to serve these exciting activities....

Page 58 *Second paragraph, change description of how agencies will work cooperatively in achieving Design and Access Objectives for the Fisherman's Wharf area:*
Summary of Design Access Objectives:
Perhaps the most dramatic improvements will be increased public access and open space. The Port will work with the Fisherman's Wharf community ~~to develop a public plaza on the Triangle Lot (Seawall Lots 300 and 301) which will be financed by commercial development on approximately 30% of the site. Future plans include ultimately relocating the existing Triangle Lot parking in an underground garage. This new plaza will become a center for Wharf activities and will be used for special events, as well as for everyday enjoyment of the Wharf. Additional design criteria call for extending open space from the Triangle Lot to the Bay on Pier 43 if further funding sources are identified and tenant leas concerns are addressed.~~ , San Francisco Planning Department, BCDC, Save the Bay, and other interested parties on an overall review of BCDC's San Francisco Waterfront Special Area Plan policies in the Fisherman's Wharf area. This is expected to include the opportunity for a major public plaza within the area bounded by Jefferson, Taylor, and Powell Streets extending to the water's edge. It would address the many issues associated with creating such a plaza and establish a plan and implementation program. There will also be improved access on waterfront edges throughout the Wharf, where such access will not interfere with fishing and other maritime operations. Views of the Bay, historic buildings or new waterfront architecture

will be preserved or created along Hyde, Leavenworth, Jones, Taylor, Mason, Powell, and Kearny Streets.

Page 62

Modify Design Criteria for the Fisherman's Wharf Area, opening paragraph and third design criterion:

~~The Triangle Lot provides~~ There is the opportunity to create a major new open space at Fisherman's Wharf~~, activated and financed by a festive "Market Hall" on 30% of the parking lot now occupying most of the site.~~ as part of an overall planning process for the Fisherman's Wharf area. ~~An underground garage would maintain needed parking in the area and contribute the remaining funding to develop the open space.~~ The Port must work closely with the community to address short-term construction impacts and provide long-term management of this public space to ensure it becomes an asset for Fisherman's Wharf. Cable car service will be relocated to this site or nearby. ~~Further efforts will be made to identify funding sources to finance the expansion of the Triangle Lot open space to the adjacent Pier 43 which is under long term lease.~~ Until these goals can be realized, the Port will continue with incremental pedestrian circulation & access improvements in this area.

~~**SITE COVERAGE - Open Space:**~~

~~Reserve 70% of site for future public access and open space uses. Work with the affected Port tenants and Fisherman's Wharf community to determine open space design and develop a program to meet interim parking, vehicular circulation and other operational needs of affected businesses during the construction period.~~

Page 63

Eliminate second criterion under "Orientation":

~~**ORIENTATION - To Street and Bay:**~~

~~Proposed Jefferson Street market hall should be oriented to both the Triangle Lot plaza and to the street.~~

Page 68

Add Open Water Basins to Urban Design Features and add notation to Map.

The Northeast Wharf Open Water Basin is between Piers 19 and 27, and the Broadway Open Water Basin is between Piers 3 and 9.

Change scope of Northeast Waterfront description and area and restate Northeast waterfront industrial cargo operations area:

Second Paragraph: Pier uses in the area include the City's cruise ship terminal at Pier 35 and industrial cargo ~~shipping~~ warehouse and cargo support operations on Piers 15~~-29~~ 23.

Remove asterisk under Urban Design Features

~~* Pier 15-29 is located in a Special Study Area. The specific location of the Northeast Wharf open space, and the Lombard Street view corridor are subject to further evaluation in the Special Planning Study. (see pp. 72-73)~~

Map: Delete "~~Piers 15-29 Special Study Area~~"

Page 69

*Change designated areas under **Waterfront Land Use Plan Objectives**:*

. . . However, Piers 15~~,~~-17~~,~~ and 19-23 ~~and 27-29~~ are designated "Transitional Maritime" facilities in the Plan to reflect their continued use for industrial cargo ~~shipping~~ warehouse and cargo support operations.

Page 70

Change first paragraph:

Summary of Design & Access Objectives:

The objectives ensure that, as the land use evolution continues, new development is compatible with existing historic resources and enhances the historic and maritime

character of the area. Toward this end, bulkhead buildings and pier sheds at Piers 9, 15, 19, 23 (partial shed), 29, 31, and 35, and Pier 29_ and 33_ connector buildings will be retained and reused. Their inclusion within the planned National Register Historic District will promote national recognition of the quality of these historic resources and enhance their potential for adaptive reuse. ~~In addition, Piers 9, 15, 19, 23, 31, and 33 will be included in a pier preservation study to develop recommendations for preservation as unites with their bulkheads, adaptive reuse, and/or replacement. The pier preservation recommendations also will inform future decisions regarding the potential development of mixed-use maritime projects on Piers 15 – 29. Prior to approval of such development, a Pier 15 – 29 Special Planning study, described below, must be completed.~~

Add an additional sentence to the second paragraph:
The Port will construct a major plaza at Pier 27 to provide a gathering place and open space amenity within this area.

Add a new second sentence to the third paragraph:
The Port will create an Open Water Basin between Piers 19 and 27 by removing a portion of the Pier 23 shed, maintain the Open Water Basin between Piers 3 and 9, and remove the "valley" and associated buildings between Piers 15 and 17 added in the 1950s to add an additional Bay view.

Page 71

Eliminate "Special Planning Study" for Piers 15-29:
~~To further address public access and open space needs in the areas between Piers 15-29, the Port, in coordination with the San Francisco Planning Department and BCDC, will prepare and adopt a "Special Planning Study". This Pier 15-29 Special Planning Study, which must be completed prior to new development on Piers 15-17, 19-23, or 27-29, will determine:~~

~~1. The location and size of a major new open space ("Northeast Wharf") in the area of Piers 15 to 27;~~

~~2. The location and configuration of new piers;~~

~~3. The removal of up to 210,000 square feet of pier area to create new open water in the Pier 15-35 area, of which at least 120,000 square feet would be removed between Piers 15 and 29.~~

~~4. Any other criteria deemed necessary to meet open space, view, city pattern, maritime, historic preservation, architectural design or other plan objectives.~~

~~To address the above issues, this Chapter includes initial recommendations which will be considered along with other possible design solutions identified during the Pier 15-29 Special Planning Study. Additional factors to be considered during this Special Planning Study to meet the above objectives include structural condition of facilities, financial feasibility, economic development opportunities and compatibility of reuse with the Waterfront Plan land use objectives for these piers.~~

Page 72

Change Design Criteria for Piers 35-9 to parallel changes made on page 70:
HISTORIC PRESERVATION: Retain and reuse Bulkhead buildings and pier sheds at Piers 9, 15, 19, 23 (partial shed), 29, 31, and 35, and connector buildings 29 and 33.

Page 73

Change Design Criteria for Piers 35 – 31:
HISTORIC PRESERVATION: Retain and reuse ~~Evaluate~~ Piers 31 and 33 ~~in a comprehensive pier preservation study to develop recommendations for which historic piers and shed should be preserved as units with their bulkheads and adaptively reused~~.

~~**PIER SHAPE**~~

~~New or modified piers or buildings should respect the existing pattern of the Northeast Waterfront, which is characterized by linear, finger pier shapes separated by open water areas.~~

OPEN SPACE – Pier 35: Create a large, two-level public access area at the pier end with indoor and outdoor areas, which incorporates portions of the existing second level passenger gallery.

Page 74 *Change recommendations for Piers 29 – 15 to delete Special Planning Study and Technical Advisory Committee references:*

~~Note: Piers 15-17, and 27-29 will be further analyzed in a Pier 15-29 Special Planning Study. The Special Planning Study must be completed prior to new development on any of these piers and will determine the site of a major new "Northeast Wharf" open space; whether and which historic piers should be retained; the location and form of new piers; the location of up to 210,000 square feet of pier area to be removed to create views of open water; and any other criteria deemed necessary to meet access and open space, view, historic preservation, architectural design, or other urban design policies of this Element. The design recommendations described below are were developed by the Technical Advisory Committee. These and other possible approaches will be considered during the Pier 15-29 Special Planning Study.~~

HISTORIC PRESERVATION: Retain and reuse ~~Evaluate~~ Piers 15, 17, 19, ~~and~~ 23 (partial), 29 and the Beltline Railroad Office Annex ~~in a comprehensive pier preservation study to develop recommendations for which historic piers and sheds should be preserved as units with their bulkheads and adaptively reused~~. Expose the corners of the Pier 19 and 23 bulkhead buildings by recessing the Embarcadero façade of the connector building.

VIEWS: Keep Green, Lombard and Chestnut Streets free of obstructions to preserve views of historic buildings or future architecture with waterfront identity. Remove a portion of the Pier 23 shed, and remove the valley between Piers 15 and 17 and the adjoining bays added to the pier sheds in the 1950s, to expand views of the Bay.

~~**PIER SHAPE:** Any modifications to pier shape should respect and complement the linear, finger shapes along the Northeast Waterfront. New piers and buildings should have similar characteristics.~~

ORIENTATION – Pier 27: New development on Pier 27 should be oriented towards The Embarcadero and a ~~potential~~ planned large public open space at the base of Pier 27. Main vehicular access and service should be in the interior of the pier or along the north edge and designed to minimize impacts on public access.

Page 75 *Change recommendations for the Northeast Wharf, remove references to the Technical Advisory Committee (TAC) and reference BCDC SAP policies:*

Note: ~~As previously explained t~~The Port will develop a major public open space, "Northeast Wharf", at Pier 27. The BCDC SAP includes policies for the Northeast Wharf plaza on pages __ that also should be met. ~~on a site that will be determined during the Pier 15-29 Special Planning Study. Different open space sites have been discussed, including 1) bayward of the Pier 19 or 23 bulkhead buildings, which would involve the removal of a pier shed, and possibly an entire pier; 2) the base of Pier 27 along The Embarcadero; and 3) Piers 15 and 17. The following recommendations were developed by the Technical Advisory committee to locate the open space, named "Wharf 25", at the~~

~~*base of Pier 27 which will be further considered during the Pier 15-29 Special Planning Study.*~~

~~*General TAC Recommendations.*~~

~~**PIER SHAPE**~~ **OPEN WATER BASIN:** Maintain open water as close to the Embarcadero Promenade as possible. Create the Northeast Wharf Open Water Basin between Piers 19 and 23.

EDGE – Seawall: Architecturally acknowledge the location of ~~these~~ seawall, and the distinction between being over land and being over water. Encourage recreational boating and transient tie-ups.

~~*TAC Recommendations for Pier 27*~~

Modify sketches for **Pier Shape** *and* **Site Coverage** *to reflect the plaza diagram on BCDC SAP page __.*

SITE COVERAGE: Create a new approximately two-acre plaza ~~open space at least 500' wide~~ from the north edge of Pier 23 through the southern portion of Pier 27 to The Embarcadero/Lombard Street intersection. Remove about 56,000 square feet of the Pier 27 shed and the Pier 27 Annex office building to expand views of the Bay. Provide open space around the Beltline Railroad Office Annex if it remains in its present location, and maintain unobstructed views from the Annex across the plaza to the Bay. Maintain 85% of the site, including the Lombard Street corridor, free of floor area structures. Adjacent commercial uses may spill onto the open space to activate the area.

Page 76 *Change recommendations for Piers 9 and 7:*

HISTORIC PRESERVATION: Retain and reuse Pier 9 ~~in a comprehensive pier preservation study to develop recommendations for which historic piers and sheds should be preserved as units with their bulkheads and adaptively reused~~.

OPEN WATER BASIN: Maintain Pier 7 as the dominant pier form within the Broadway Open Water Basin, by preserving existing open water on either side of the pier between Piers 3 and 9.... (with allowance for the existing restaurant and its approved increase in dining~~, transient berthing~~ and public access on Pier 7 1/2). Allow berthing of operational vessels ~~in the open water and along~~ at adjacent piers, consistent with BCDC SAP Open Water Basin policies, pages __.

~~**PIER SHAPE:** Maintain the existing pier perimeter and pier area for Pier 9 unless changes are necessary to accommodate maritime uses or additional public access.~~

Page 82 *Add Open Water Basin under* **Urban Design Features** *and on Map, and, update change of gas station to parking lot at Washington Street:*
The Rincon Point Open Water Basin is between the Downtown Ferry Terminal breakwater and the Pier 22½ Fire Boat House.

Modify first paragraph, line five:
...Seawall Lot 351, across The Embarcadero form Pier 1, is currently used for ~~a gas station~~ parking.

Page 83 *Update status of recent projects in second paragraph:*
....On the waterside, construction of the Downtown Ferry Terminal Project ~~will~~ provides for expanding regional ferry service. The Embarcadero roadway ~~will be~~ has been replaced with a new grand boulevard and plaza in front of the Ferry building....

Page 84 *Modify both paragraphs:*

The objectives for this area call for construction of the Ferry Building Plaza on the City side of the Ferry Building, construction of Rincon Park, completion of a continuous accessible waterfront edge from Pier 22½ through the south edge of Pier 1 (except where precluded by maritime operations), maintaining the Rincon Point Open Water Basin for its expansive Bay views, public access atop the ~~proposed~~ Ferry Terminal breakwaters~~,~~ and improvements to activate the edge of the Ferry and ferry Building Plazas....

In addition, the objectives include preservation and reuse of historic resources. The Ferry Building, Agriculture Building, ~~and~~ Pier 1-5 ~~bulkhead~~ buildings, and Pier 22½ Fire Boat House will be preserved consistent with the Secretary of the Interior's Standards.. ~~Pier 1 will be included in a further study to develop recommendations for pier preservation and reuse.~~

Page 85 *Change Design Criteria for the Ferry Building and surrounding areas:*

HISTORIC PRESERVATION: Preserve, rehabilitate and adaptively reuse the Ferry Building, ~~and~~ Agriculture Building, and Piers 1-5 consistent with the Secretary of Interior's Standards for Rehabilitation.

VIEWS: Preserve views of the Ferry Building and Agriculture Building from Market and Mission Streets, and expand Bay views by removing portions of Piers 1/2 and 2.

OPEN SPACE: ~~Design~~ Preserve the Ferry Building Plaza on the City side of the Ferry building as a civic gathering area and forecourt to the Ferry Building.

EDGE—Waterside of Ferry Building: Provide continuous pedestrian public access on the waterside of the buildings while accommodating ferry and maritime operations. Design facilities for ferry and excursion operations to avoid conflict between queuing and public access areas.

Page 86 *Change Design Criteria for the Ferry Plaza:*

~~**MASSING**~~ **OPEN WATER – Ends of Ferry Building:** Limit new structures to the minimum necessary to serve ferry and excursion patrons ~~massing of new structures at the north and south ends of the Ferry building~~ to maintain views from The Embarcadero to the Bay. Remove portions of Piers 1/2 and 2, and l~~L~~ocate water and boating uses as close to the Promenade as feasible in the Pier 1/2 area.

~~**MASSING**~~ **VIEWS~~ Between Ferry Building & Agriculture Buildings~~ Ends of Ferry Building:** ~~Consider relocating~~ Remove Pier 1/2 parking and relocate the Pier 2 restaurant structure to enhance views of the Bay and boating activity from The Embarcadero ~~or making architectural improvements to create a waterfront identity~~.

Modify second and third sketches to show open water and view corridors, respectively

Page 87 *Modify initial discussion and Orientation paragraph, and add Open Water Basin to Map:*

Rincon Park, a planned 2.70 acre landscaped open space, and the 1800 foot long pedestrian promenade south of the Agriculture Building, will provide expansive views of the Bay, Bay Bridge and City skyline....~~The new restaurant should define the architectural character and anchor the southern end of the park.~~ The Rincon Point Open Water Basin with its panoramic Bay vistas should be maintained consistent with BCDC SAP Open Water Basin policies on pages __.

ORIENTATION – Restaurant: Orient views from the restaurant north toward the Park and the Bay. ~~Allow guest boat docking adjacent to the restaurant.~~

Page 88 *Change Design Criteria for Piers 1-3 and Pier 1-5 bulkhead sites. Remove "Pier Shape – Limits" criterion and change "Historic Preservation", "Pier Shape", "Height" and "Views" as shown below:*

HISTORIC PRESERVATION: Preserve, rehabilitate and adaptively reuse Bulkhead Buildings 1-5, consistent with The Secretary of the Interior's Standards for Rehabilitation. ~~Evaluate Pier 1 in a comprehensive pier preservation study to develop recommendations for which historic piers and sheds should be preserved as units with their bulkheads and adaptively reused.~~

~~**PIER SHAPE – LIMITS:** If pier reconfiguration is proposed for non-maritime uses, it will occur within the boundaries of the north edge of Pier 3, east edge of Pier 1 and 3, and south edge of Pier 1, and will be limited to the existing 245,000 square feet of pier area. Additional pier area may be allowed if an equal amount of pier area is removed elsewhere.~~

PIER SHAPE: Maintain Pier 7, to the north, as the dominant pier form. ~~Piers 1 and 3, if reconfigured, should maintain a simple form and continue to be shorter than Pier 7.~~

Relocate discussion of visibility of pier buildings from "Height" to "Views":
HEIGHT: At least 75% of the buildings on the pier should not exceed the height of adjacent bulkheads. ~~Pier buildings taller than the bulkheads should not be visible above the bulkhead cornice from the Embarcadero sidewalk immediately to the west.~~

VIEWS: Maintain views of the Ferry Building and ~~Pier 1~~ bulkhead buildings from Clay and Washington Streets. Pier buildings taller than the bulkheads should not be visible above the bulkhead cornice from the Embarcadero sidewalk immediately to the west.

Page 89 *Change Design Criteria for Piers 1-3 and Pier 1-5 Bulkhead Buildings:*

ENTRY – Bulkhead Sites: To activate marginal wharf areas, consider opening the sides of Pier ~~1 and~~ 5 bulkhead building consistent with standards developed as part of the Port's historic preservation program.

CHARACTER – NEW DEVELOPMENT: ~~Where adaptive reuse is not feasible,~~ Design new developments behind the Pier 3 bulkhead so as not to compete visually with historic bulkhead buildings. Locate strong architectural forms at an appropriate distance from historic bulkheads.

Page 92 *Add Open Water Basin to Map and Urban Design Features, and clarify the historic resources in the fourth bullet under Urban Design Features:*

The Brannan Street Wharf Open Water Basin is between Piers 32 and 38.

The ~~"~~bulkhead~~"~~, connector and shed buildings at Piers 24 Annex, 26, 26 Annex, 28, and 38 are historic resources which will be retained and reused~~.~~

Page 93 *Change the "Summary of Design and Access Objectives" for the South Beach Waterfront:*
The Design and Access Element calls for removal of Piers 34 and 36 to create a new "Brannan Street Wharf" and ~~o~~Open ~~w~~Water ~~area~~ Basin extending along the Embarcadero Promenade at the foot of Brannan Street for a minimum of 600 feet. This major new public open space, and the expansion of South Beach Park, will serve the South Beach

neighborhood as well as visitors ~~to the proposed ballpark and other new activities~~ from throughout the Bay Area.... Other design objectives for the area call for preserving the Pier 22½ Fire Boat House consistent with the Secretary of Interior's Standards, and retaining ~~the Pier 38~~ Piers 26 and 28 and the Pier 38 bulkhead and pier shed ~~Piers 26 and 28 bulkhead facades.~~ Pier 24 will be removed ~~and Pier 38 will be included in a further study to develop recommendations for pier preservation and reuse~~.

Page 94 *Change Design Criteria for Pier 24_ - 40 Bulkhead sites:*

Architectural Details
CHARACTER – Historic: Modifications to the Pier 26~~,~~ and 28 bulkhead facades and Pier 38 bulkhead buildings should preserve the historic character defining elements of historic buildings~~, as consistent with rehabilitation guidelines (to be developed)~~.

CHARACTER – WATERSIDE: Allow improvements and openings on the waterside of bulkhead buildings which do not detract from the character defining elements of the historic buildings, and which have simple and regular forms. Use materials compatible with pier improvements ~~as consistent with rehabilitation guidelines (to be developed)~~.

Page 96 *Change Design Criteria for Piers 24 – 28. Remove "Site" criteria "Height" and "Pier Shape", and later "Historic Preservation" as follows:*

~~**HEIGHT:** Any new pier buildings behind the Pier 26 and 28 bulkhead facades should not be visible above the bulkhead cornice from the adjacent Embarcadero sidewalk to the west.~~

HISTORIC PRESERVATION: Retain and reuse ~~Evaluate~~ Pier 26 and Pier 28 ~~in a comprehensive pier preservation study to develop recommendations for which historic piers and sheds should be preserved with their bulkheads and adaptively reused~~.

~~**PIER SHAPE:** If pier reconfiguration is allowed, pier shape changes for non-maritime uses will be limited to an area bounded by the northern edge of Pier 24, an eastern boundary aligned with the end of Pier 26, and the southern edge of Pier 28, except for the following: a 25,000 square foot area at the end of Pier 24 to separate the pier from the Bay Bridge abutment, a 61,000 square foot area at the end of Pier 28 to create open water between Piers 28 and 30-32. Exceptions to the pier perimeter boundaries are permitted to accommodate maritime operations. Pier area within the pier perimeter boundaries is limited to the 332,000 square feet currently existing in Pier 26 and 28 and associated bulkhead connector buildings; any additional pier area will require removal of an equal amount of fill elsewhere.~~

Page 97 *Change Design Criteria for Piers 24 – 28:*

Add New Open Water *to Map for Pier 24.*

Orientation
EDGE – View Of Downtown: New development should create an accessible edge along the north side of Pier 24 Annex and Pier 26 ~~(or reconfigured pier)~~ that includes a destination point for enjoying views back to the City and of the adjoining Open Water Basin.

SITE COVERAGE – Harrison Street: ~~Preserve~~ Enhance Bay views from Harrison Street by ~~providing public access or otherwise keeping the view corridor on the pier (if reconfigured) free of structures~~ removing Pier 24.

Architectural Details
PUBLIC EDGE: Design the architectural treatment of public access edge improvements along the north edge of Pier 26 ~~(or reconfigured pier)~~, in a manner which continues the character of the Promenade edge along Rincon Park.

Page 98 *Change Design Criteria for Piers 30 – 32:*
PIER SHAPE: Prohibit major pier shape or net pier area changes which exceed the current pier footprint or area, unless necessary to accommodate maritime uses on the pier or other uses consistent with BCDC SAP Open Water Basin policies on pages ___.

Page 100 *Change Design Criteria for Piers 38 - 40:*

HISTORIC PRESERVATION: Retain and reuse ~~Evaluate~~ Pier 38 ~~in a comprehensive pier preservation study to develop recommendations for which historic piers and sheds should be preserved with their bulkheads and adaptively reused~~.

~~**PIER SHAPE:** If pier reconfiguration is approved for non-maritime uses, it will be within the boundaries of the north and east edges of Pier 38, and the south edge of Pier 40. Exceptions to the pier perimeter boundaries are allowed to accommodate maritime operations. Pier area within the pier perimeter boundaries is limited to the 297,000 square feet currently existing; any additional pier area will require removal of an equal amount of fill elsewhere.~~

Page 104 *Modify to address queuing needs for ferry and excursion vessels:*
EDGE—Promenade Extension: Provide a continuous, publicly accessible PortWalk extending from South Beach Harbor along China Basin Channel to the landmark Third Street bridge. ~~The character of the PortWalk should be similar to the Embarcadero Promenade, with adequate width to accommodate ballpark visitors.~~ Design facilities for ferry and excursion operations to avoid conflict between queuing and public access areas.

Additional Changes Throughout Text and Graphics: Remove shading from open water areas in the graphics, and update references to Pacific Bell Park.

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REGULAR MEETING
4:00 P.M., TUESDAY, JULY 25, 2000
Ferry Building, Suite 3100, S.F. CA 94111

AGENDA

1. **ROLL CALL**

2. **NEW BUSINESS / PUBLIC COMMENT**

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

3. **EXECUTIVE SESSION**

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED LITIGATION MATTER:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (one case).
X As Defendant ___ As Plaintiff

(2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8.
This session is closed to any non-City/Port representative. *

a. Property: Rincon Park Restaurants at Folsom and Embarcadero
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Nice Ventures Inc.: Reed Hearon

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate

negotiations regarding Rincon Park Restaurants at Folsom and Embarcadero.

b. Property: Port Property located at Pier 94-96
Person Negotiating: Port of San Francisco: Peter Dailey, Maritime Director
*Vulcan Materials: Bob Sears
*British Pacific Aggregates: John Chambers

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Port property located at Pier 94-96.

c. Property: Port Property located at Pier 9
Person Negotiating: Port of San Francisco: Peter Dailey, Maritime Director
*Pacific Marine Dining Yachts: Garrett O'Doherty

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Pacific Marine Dining Yachts located at Broadway and Embarcadero.

d. Property: Port Property located at Pier 30-32
Person Negotiating: Port of San Francisco: Terry Picon, Real Estate Director
*Red's Java House: Steve Riley

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Red's Java House.

e. Property: Ferry Building
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Wilson Cornerstone: Chris Meany

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding the Ferry Building.

f. Property: Gabbiano's Restaurant
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Gabbiano's Bay Corporation: George Lu

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Gabbiano's Restaurant.

g. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning and Development.
*Municipal Railway: David Esparaza

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding the Western Pacific Property @ 25th & Illinois.

4. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

5. ADJOURNMENT

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PORT COMMISSION

JULY 25, 2000 MINUTES
OF THE REGULAR MEETING

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DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE REGULAR MEETING
4:00 P.M., TUESDAY, JULY 25, 2000

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 4:03 p.m. The following Commissioners were present: Kimberly Brandon, Brian McWilliams, Denise McCarthy and Pius Lee. Commissioner Hardeman was not present.

2. NEW BUSINESS / PUBLIC COMMENT

Marianne Bennett, MM Manufacturing, reiterated her comments from the previous meeting and thanked Commissioner Brandon for referring her concerns to the Executive Director and the Real Estate Division. Her business represents the interest of the Port in doing commerce overseas and the U.S. She hoped that the Port's discussions would be open to them as well according to the Sunshine Ordinance as well as the State of California Ordinance, per Senator Burton's office. She would not like to leave her office until such time that the Port commits to ongoing construction to renovate the building into a ferry terminal which is slated for 18-24 months. She would not like to have an eviction occur because another tenant, a larger and has more powerful dollars, would be negotiating with the Port on their lease. She would like her company to stay at the Agriculture Building for as long as possible.

Sohail Malik, Panelight Display Systems, indicated that he's in a similar situation as Ms. Bennett and he's been doing business at the Agriculture Building since 1982. They sell and rent audio/visual equipment for the financial district area and compete with a number of larger and national statewide businesses in the audio/visual industry. The biggest draw for their customers is their location. The loss of their main advantage to the downtown community threatens their survival as a small minority owned business. He appealed to the Commission to remain in the Agriculture Building until such time that the building is converted to a maritime use. They would be able to handle the situation within the 18-24 month period rather within the next 6-8 months.

Russell Lemle, a 10-year tenant of the Agriculture Building, indicated that he would like to stay as long as possible in the Agriculture Building. He has yet to receive information from the City or the Port as to what will happen to the tenants of that building. He made several calls to get some information but was told that, as a tenant, they would be informed when something more certain was known. He asked that complete disclosure to the Agriculture Building tenants be forthcoming immediately. They are nervous about the potential eviction of the tenants. He indicated that the possible eviction of the Agriculture Building tenants is being done purely for financial reasons. The Port stands to make more money. The small businesses will not be given the lease opportunity because they are small. Larger businesses and larger money will result in the eviction of the Agriculture Building tenants.

Richard Rojas, owner of a small minority-owned company at the Agriculture Building, indicated that this is a disheartening situation because he was recently evicted from Pier 35 where he had been a tenant for 13 years. He has only been at the Agriculture Building for a year and would not like to be evicted again. He asked the Commission to not evict the tenants from that building.

Randall Ann Homan, Gestalt Graphics, indicated that she has been a tenant at the Agriculture Building since 1997. She requested the Commission not to evict the small business owners in the Agriculture Building in order to lease that office space to a big business. She encouraged the Commission to consider extending her lease and the lease of other small businesses until the Agriculture Building is needed for public use. The Port has served an important role in San Francisco by providing affordable office space to small businesses, and that role is even more important now that small businesses are being squeezed out of this City everyday. She and her brother run the family business and they provide graphic design services to downtown businesses and design education wooden toys. Their toy business is young and operating at a loss. If they are evicted and forced out of San Francisco or into an office space they can't afford, they will lose their chance to become profitable and another small unique San Francisco business will fold. Every month that they remain in the Agriculture Building will help to build the stability of their business, particularly through winter and spring, their busy seasons. They appreciate the Commission's consideration of their situation as well as that of the other small business tenants, and hope that the Commission continue to value the importance of doing whatever it can to keep small businesses in San Francisco.

Russell Ocampo, Ocampo-Esta Corp., indicated that his company provides engineering services to the City. The Agriculture Building is a convenient location for their clients. He expressed his concern about being evicted and asked the Commission to do all it can to help small businesses by letting them stay in the building

Commissioner Brandon assured the speakers that nothing would happen until the tenants are notified and their input has been provided. Staff is looking at several options for that building and Paul Osmundson will be meeting with the Agriculture Building tenants to further discuss the matter.

3. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner Lee moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

At 4:15 p.m., the Commission withdrew to executive session to discuss the following:

B. CLOSED SESSION

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED LITIGATION MATTER:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (one case).
X As Defendant ___ As Plaintiff

(2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8.
This session is closed to any non-City/Port representative. *

a. Property: Rincon Park Restaurants at Folsom and Embarcadero
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Nice Ventures Inc.: Reed Hearon

b. Property: Port Property located at Pier 94-96
Person Negotiating: Port of San Francisco: Peter Dailey, Maritime Director
*Vulcan Materials: Bob Sears
*British Pacific Aggregates: John Chambers

c. Property: Port Property located at Pier 9
Person Negotiating: Port of San Francisco: Peter Dailey, Maritime Director
*Pacific Marine Dining Yachts: Garrett O'Doherty

d. Property: Port Property located at Pier 30-32
Person Negotiating: Port of San Francisco: Terry Picon, Real Estate Director
*Red's Java House: Steve Riley

e. Property: Ferry Building
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Wilson Cornerstone: Chris Meany

f. Property: Gabbiano's Restaurant
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Gabbiano's Bay Corporation: George Lu

g. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning and Development.
*Municipal Railway: David Esparaza

At 5:44 p.m., Commissioners Brandon, McWilliams, McCarthy and Lee returned from executive session and convened in open session.

ACTION: Commissioner McCarthy moved approval to not disclose any information discussed in executive session. Commissioner Lee seconded the motion. All of the Commissioners were in favor. The meeting was adjourned at 5:44 p.m.

SAN FRANCISCO
PORT COMMISSION

SPECIAL MEETING
4:30 P.M., TUESDAY, JULY 25, 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - July 11, 2000 Regular Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

4. **CONSENT CALENDAR**

   A. Approval of month-to-month lease with Operation USA/Hope at Pier 96. (Resolution No. 00-63) (Staff report provided to the Commission.)

5. **MARITIME**

   A. Approval of Marine Terminal and Use Agreement with British Pacific Aggregates, Ltd. for use of Pier 94. (Resolution No. 00-54) (Staff report provided to the Commission.) NOTE: "This action is within the scope of the Waterfront Land Use Plan Program EIR, certified on January 9, 1997, which EIR adequately described the project."

   B. Approval of First Amendment to Lease L-12657 with Waste Solutions Group for use of rail yard at Cargo Way. (Resolution No. 00-58) (Staff report provided to the Commission.)

6. **REAL ESTATE**

   A. Approval of lease with Electronic Transportation, Inc. (ETI) at Pier 15 (The Embarcadero @ Green Street). (Resolution No. 00-64) (Staff report provided to the Commission.)

   B. Approval of 20-year lease with Pacific Marine Dining Yachts at Pier 9 (The Embarcadero @ Broadway). (Resolution No. 00-65) (Staff report provided to the Commission.)

7. FACILITIES & OPERATIONS

A. Status Report on Pier 45 Fish Processing Facility Inspections. (Staff report provided to the Commission.)

8. PLANNING & DEVELOPMENT

A. Approval of Development Agreement with Rincon Park Restaurants, LLC for development of the Rincon Park Restaurant Site including the form of Ground Lease and approval of related modifications to the Design & Access Element of the *Waterfront Land Use Plan* (Resolution 00-60); and Approval of Schematic Drawings for the Rincon Park Restaurant Site (Resolution 00-61) (Staff report provided to the Commission.) NOTE: "This action is within the scope of: (1) the Rincon Point-South Beach Redevelopment Plan Final Environmental Impact Report, certified November 5, 1980; (2) the Rincon Point-South Beach Redevelopment Plan Supplemental Environmental Impact Report, certified on August 15, 1991; and (3) the Port of San Francisco Waterfront Land Use Plan Final Environmental Impact Report, certified on January 9, 1997, which EIRs adequately described the project."

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

11. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

JULY/AUGUST 2000

CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
July 25	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
August 8	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
August 22	4:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47, Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Pier 45 Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Liz Fitzgerald	274-0400

ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

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MEMORANDUM

July 25, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian Thomas McWilliams, Vice-President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: APPROVAL OF MONTH TO MONTH LEASE WITH OPERATION USA/HOPE AT PIER 96.

DIRECTOR'S RECOMMENDATION: APPROVE MONTH TO MONTH LEASE WITH OPERATION USA/HOPE AT PIER 96.

Operation USA/Hope, a United States based non-profit world wide relief agency has approached the Port to position relief supplies in 1,200 square feet of shed space in the Maintenance and Repair Building at Pier 96. Operation USA/Hope proposes to store medical and other relief supplies in the 1,200 square feet space. These supplies will be staged pending the possible need to deliver these supplies to areas of need via maritime transit through the Port of San Francisco cargo facilities Operation USA/Hope and Port staff have negotiated the terms of a month to month lease on the following terms and conditions:

Premises:	1200 square feet in the Pier 96 Maintenance and Repair Building.
Term:	Month to month
Commencement Date:	On or about August 1, 2000.
Rent:	$120.00 per calendar month.

All other terms and conditions are consistent with those complained in the Port's standard lease form.

Port Commission approval is required to permit the $ .10 per square foot rental rate. The Port Commission approved Maritime Rental Rate Schedule for this facility provides for a $.20 per square foot rate

Recommendation: Port staff recommends approval of the proposed month to month lease with Operation USA/Hope.

Prepared by: Nicolas J. Dempsey, Senior Commercial Leasing Manager

THIS PRINT COVERS CALENDAR ITEM NO. 4A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-63

WHEREAS, Section 3.581 of the Charter of the City and County of San Francisco empowers the San Francisco Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port Jurisdiction; and

WHEREAS, Operation USA/Hope, a non-profit worldwide relief agency has requested the opportunity to lease space at Pier 96 for the storage and staging of emergency medical and relief supplies, and

WHEREAS, Port staff has negotiated the terms of a month to month lease (Lease No. 12972) on terms and conditions consistent with those outlined in the Memorandum to the Port Commission for Agenda Item 4A of the Port Commission meeting on July 25, 2000, a copy of which lease was available for public inspection with the Port Commission Secretary; now therefore be it

RESOLVED, that the Port Commission hereby approves Lease No. 12972 on the terms and conditions contained therein and as outlined in the Memorandum to the Port Commission for Agenda Item 4A of the Port Commission meeting of July 25, 2000 in substantially such form of such Lease No. 12972 on file with the Port Commission Secretary; and be it further

RESOLVED, that the Port Commission authorizes and directs the Port Executive Director to execute Lease No. L-12972 in such form as may be approved by the City Attorney.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 25, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

July 20, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas Wong
Executive Director

SUBJECT: **APPROVAL OF THE BRITISH PACIFIC AGGREGATES LIMITED 5-YEAR MARINE TERMINAL AGREEMENT**

DIRECTOR'S RECOMMENDATION: APPROVE THE 5-YEAR MARINE TERMINAL AGREEMENT WITH BRITISH PACIFIC AGGREGATES LIMITED AT PIER 94.

Port staff has been negotiating with British Pacific Aggregates Limited ("BP") for a five-year Marine Terminal Agreement for use of Pier 94 to discharge and store bulk shipments of aggregates. BP is a British Columbia company that intends to bring aggregates by vessel for discharge at Pier 94. The aggregates will not be processed at the premises but will be hauled where needed from the premises by truck in San Francisco and the Bay Area. The agreement includes the following terms:

Term: Five year term, commencing August 1, 2000. If the Port determines that the tenant has performed to its satisfaction, the parties may extend the agreement for up to four five-year periods if the parties are able to agree on acceptable terms; if not, the Lease will terminate.

Berthing: Preferential but non-exclusive use of the berth at Pier 94;

Premises: Exclusive use of approximately 261,360 square feet of paved land located at Pier 94 with a two year option to expand into an additional 174,280 square feet of paved land at Pier 94 (as shown on the map attached hereto as Exhibit A). The tenant also has a non-exclusive easement right(s) for placement of hopper system and truck access.

Rent and Dockage/Wharfage Payments: Base rent is at a-lease rate of $0.18 per sq.ft. per month, adjusted annually by CPI. Base Rent commences on the earlier of Tenant operating its business or November 1, 2000. Tenant must also pay dockage for vessels berthing at the Premises at 60% of the Tariff rate, and wharfage at a rate of $0.65 per metric ton of aggregate discharged at the Premises but only to the extent that the amount of wharfage due exceeds Tenant's payment of Base Rent.

Estimated minimum annual revenue for the British Pacific agreement will be $580,000. from wharfage, dockage and land-lease rates.

Use: Tenant may use the Premises for berthing and discharge of aggregates only. Any changes in use, including crushing or processing operations must be approved by the Port Commission, which approval may be given or withheld by the Port Commission in its sole discretion.

Suitability of Premises: The tenant is responsible for determining the suitability of the condition of the Premises for its operations. The tenant intends to conduct a geotechnical investigation of the Premises during the first 90 days of the Lease Term. If it decides that a portion of the Premises is unsuitable, it may terminate the Lease, or request a reconfiguration of the Premises, including incorporating additional Port property. If the Port and the tenant are unable to agree on the new Premises, the Lease will terminate.

Environmental Mitigation Measures. The provisions in the Agreement include air quality and hydrology and water quality mitigation measures from the Waterfront Land Use Plan FEIR to minimize impacts from particulates and storm water runoff. Another separate provision has been included that allows the Port to impose improvement measures as may be identified in the anticipated Southern Waterfront EIR to further reduce air quality impacts. Finally, a third provision is included requiring the tenant to make good faith efforts to explore and use low-emission or alternative low-emission fuels or emerging technologies to reduce diesel emissions and particulates. The Port agrees as an economic incentive to provide tenant with a rent credit of up to 25% of annual base rent for Port-approved measures intended to reduce diesel emissions from the site, including measures undertaken by tenant to provide economic incentives to truckers for truck retrofit or use of alternative fuels.

Local Trucking. A clause has been included that states Tenant shall make good faith efforts to first use local truckers for all trucking opportunities associated with Tenant's operations at the Premises, and that Tenant agrees that not less than sixty percent of all materials hauled onto or off of the Premises by truckers directly employed or contracted with by Tenant shall be hauled on or in trucks operated by local truckers. Local truckers are those truckers that are certified as "Local Business Enterprise" pursuant to the City's Minority/Women/Local Business Utilization Ordinance.

Removal Bond. Tenant is required to provide a security instrument in the amount of no less than $150,000.00 to secure tenant's obligation to remove materials from the Premises at the expiration or earlier termination of the Lease.

A copy of the agreement is on file with the Port Commission Secretary.

Prepared by: Jill Simpson, Maritime Marketing Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-54

WHEREAS, British Pacific Aggregates Limited desires to enter into a Marine Terminal Lease Agreement with the Port, for use of Port's marine terminal facilities; and

WHEREAS, said Agreement grants British Pacific Aggregates Limited reduced dockage and wharfage charges for the utilization of Pier 94 as their regularly scheduled Northern California port of call; and

WHEREAS, said Agreement grants British Pacific Aggregates Limited exclusive use of 261,360 square feet of paved land at Pier 94 at $.18 per square foot with a two-year option for an additional 174,280 square feet of paved land at Pier 94 and is on such additional terms as are described in the memorandum to Port Commissioners dated June 21, 200 for Item 5A on the Port Commission's June 27, 2000 regular meeting; and

WHEREAS, said Agreement requires British Pacific Aggregates Limited to make good faith efforts to use Local Truckers for all trucking opportunities associated with their operations and requires that not less than sixty percent of all materials hauled onto or off of the Premises by truckers directly employed or contracted with by British Pacific Aggregates Limited shall be by Local Truckers; and

WHEREAS, a copy of the proposed agreement is on file with the Port Commission Secretary in the file for this Item 5A; and

WHEREAS, the proposed marine terminal agreement for British Pacific Aggregates Limited is consistent with the Waterfront Land Use Plan adopted by the Port Commission on June 24, 1997, which contains an overall goal to promote maritime activities at the Port, and specific objectives for the Southern Waterfront to maximize utilization of the existing terminal facilities; and

WHEREAS, the Waterfront Land Use Plan Final Environmental Impact Report (FEIR), certified on January 9, 1997, analyzed the environmental setting, impacts, mitigation measures and alternatives as required under the California Environmental Quality Act (CEQA), for the Waterfront Land Use Plan; and

WHEREAS, on June 24, 1997, by Resolution 97-50, the Port Commission adopted findings pursuant to the California Environmental Quality Act (CEQA) and State CEQA Guidelines with respect to the environmental mitigation measures identified in the FEIR, the project alternatives, the potential significant environmental effects of the Plan, as approved, and a statement of overriding considerations supporting the decision to approve the Waterfront Land Use Plan, which findings are incorporated in this Resolution by reference; and

WHEREAS, the proposed marine terminal agreement for British Pacific is consistent with increased cargo shipping uses assumed in Alternative B of the Waterfront Land Use Plan FEIR; and

WHEREAS, the proposed cargo shipping use, when considered together with previous projects approved in the southern waterfront area under the Waterfront Land Use Plan, is within the scope of projects assumed in Alternative B of the Waterfront Land Use Plan FEIR; and

WHEREAS, the estimated transportation impacts (truck trips) associated with the expected level of aggregate shipping activity expected would amount to less than 10% of the truck trips projected in the waterfront Land Use Plan FEIR and considered in the transportation impacts analysis, and therefore would not constitute a new significant impact; and

WHEREAS, the Air Quality mitigation measures in the Waterfront Land Use Plan FEIR have been included as provisions to the proposed marine terminal agreement to minimize impacts from particulates; and

WHEREAS, the proposed marine terminal agreement also includes a provision allowing the Port to future additional measures that during the lease term are identified, found to be feasible and applied to other future projects with similar sources of emissions, to further reduce air quality emissions from the lease activities; and

WHEREAS, the proposed marine terminal agreement includes diesel emission controls calling for good faith efforts to use low-emission or alternative low-emission fuels for equipment located at the leased premises, and to explore new technologies currently under development to reduce particulate emissions; now therefore be it

RESOLVED, That the Port Commission finds that no new information of substantial importance has become available; no modification to the project, as analyzed in the Waterfront Land Use Plan FEIR has occurred that would require important revisions to the FEIR; no substantial changes have occurred with respect tot he circumstances under which the project is undertaken, since the Planning Commission certified the FEIR; the proposed marine terminal agreement is within the scope of the Project analyzed in the FEIR and no new environmental documentation is require; and be it further

RESOLVED, that based on the foregoing, the Port Commission hereby finds that: (1) the proposed project is within the scope of the project analyzed in the Waterfront Land Use Plan FEIR ("FEIR") and does not raise any important new issues about the significant effects on the environment not previously considered in the FEIR; (2) no changes are proposed or have occurred in the project analyzed in the FEIR that would require major revisions to the FEIR due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects; (3) no substantial changes have occurred with respect to the circumstances under which the project is being undertaken that would require major revisions to the FEIR due to the involvement of significant new

environmental effects or a substantial increase in the severity of previously identified significant effects; and (4) no new information of substantial importance has become available since the FEIR was certified indicating that: (a) the Waterfront Land Use Plan or the proposed project will have one or more significant effects not discussed in the FEIR; (b) significant effects examined in the FEIR would be substantially more severe; (c) mitigation or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project; or (d) mitigation measures or alternatives which are considerably different from those analyzed in the FEIR would substantially reduce one or more significant effects on the environmental; and therefore there is no need to prepare an addendum or supplement to the FEIR or recirculate the FEIR, and be it further

RESOLVED, that the San Francisco Port Commission approves the Marine Terminal Agreement with British Pacific Aggregates Limited, in substantially the form of which is on file with the Secretary of the Port Commission for this agenda item; and be it further

RESOLVED, that the Port Commission authorizes the Executive Director (i) to enter into the Agreement, (ii) to make any necessary refinements to the Agreement as are approved by the City Attorney and do not materially increase the liability or obligation of the Port, including adjustments to the Premises description to the extent that it does not materially interfere with the Port's operations, anticipated development or uses, or other tenants; and (iii) to take all such further actions as are necessary to put the Agreement into effect.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 25, 2000.

_____

Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
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MEMORANDUM

July 20, 2000

TO: MEMBERS, PORT COMMISSION
Hon. President Kimberly Brandon
Hon. Vice President Brian McWilliams
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of First Amendment of Lease L-12657 with Waste Solutions Group, a California Corporation for use of the Port's Intermodal Container Transfer Facility.

DIRECTOR'S RECOMMENDATION: APPROVE LEASE AMENDMENT

BACKGROUND

In September 1998, the Port entered into a five-year lease with the Waste Solutions Group Corporation for approximately 1,200 square feet of office space and the non-exclusive use of the Port's Intermodal Container Transfer Facility (ICTF) located at Pier 96. The permitted use is for operation of a general office in direct support of Tenant's business practices; loading and unloading non-ocean cargo on and off of rail cars owned or operated by Tenant; and for the use of the ICTF yard for the storage of rail cars and intermodal containers and for no other purposes. The Waste Solutions Group primary business line is the transfer of soils and other materials by intermodal containers out of San Francisco for disposal at facilities in Utah. Additionally Waste Solutions has also agreed to provide vital short-line rail service to Port shipping customers between the mainline Union Pacific trackage to and from Pier 80, and has leased the rail tracks from Union Pacific for that purpose.

Waste Solutions has made significant equipment acquisitions to provide this service. They have asked the Port to extend their lease five years, which will currently expire at the end of October of 2003, to allow them recoup their equipment acquisition expense, to recognize their exclusive use (with respect to non-ocean going cargo only) of the ICTF yard to move and store rail cars and containers.

TERMS AND CONDITIONS

Term
Term shall be extended until October 31, 2008. This lease amendment includes standard 4.2 Termination by Port language.

Use
Operation of a general office in support of Tenant's business, use of rail yard for loading and unloading of non-ocean going cargo, and exclusive use (with respect to non-ocean going cargo only) of rail yard for movement and storage of rail cars and intermodal containers.

Maintenance and Repair
Tenant shall at its sole cost and expense maintain and repair the premises including all trackage, switches and rail apparatus, fences, gates mast lighting and payment.

Base Rent
$1680.00 per month for rental of a 1,200 square foot trailer subject to annual CPI.

ICTF Use Fees

Dry Containers and tank containers -	7/1/ 2000	- 10/31/ 2003	$ 15 per container
	11/1/2003	- 10/31/ 2008	$ 30 per container
Railcars-	7/1/ 2000	- 10/31/2003	$ 45 per railcar
	11/1/ 2003	- 10/31/2008	$ 75 per railcar

Rates stated in ICTF Use will be subject to adjustment at the same percentage and at the same time as those authorized by the California Association of Port Authorities for the Port's Tariff No. 4 coverage Wharfage N.O.S. Item # 237.

Waste Solutions Group has, by use of the Port's rail facilities has assisted the Port greatly by generating increased rail usage to our facilities by the mainline rail service provider, the Union Pacific Railroad, which, as the Port's maritime business levels have increased, has created more service opportunities for the Ports maritime/industrial customers. Additionally, at the Port largest intermodal customer, Waste Solutions Groups has been actively assisting the Port in planning for the construction of the proposed Illinois St. rail bridge project.

Waste Solutions Group has requested permission to assign this lease to a newly formed corporation, L. B. Railco, a corporation that has the same corporate structure, same shareholders and same insurance coverage as Waste Solutions Group. This amendment would authorize the Port Director to approve the assignment upon submittal of materials documenting that L. B. Railco meets the criteria identified above. Waste Solutions Group would remain responsible for the lease.

Prepared By: Peter A. Dailey, Maritime Director

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-58

WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Railroad service is vital to the efficient operation of the Port's cargo terminals; and

WHEREAS, the Port has authorized Waste Solutions Group to operate and maintain their business at the Intermodal Container Transfer Facility pursuant to Lease No. L-12657 dated September 18, 1998; and

WHEREAS, Waste Solutions Group has entered into a lease with Union Pacific for rail tracks with the intent to provide short line rail service from the main Union Pacific line to Pier 80; and

WHEREAS, Waste Solutions have asked the Port for a extension of their current lease to ensure continuity of rail service as well as help amortize equipment acquisitions for rail operations; and

WHEREAS, Port staff has negotiated a five-year lease extension that significantly increases revenues to the Port while also strengthening the intermodal services of the Port; and now therefore, be it

RESOLVED, that the Port Commission hereby approves the lease with Waste Solutions Group on terms set forth in the memorandum to the Port Commission for this Item 5A, a copy of which is on file with the Secretary of the Port Commission and hereby authorizes the Executive Director of the Port or his designee to execute documents effecting said lease on behalf of the Port, in such form as is approved by the City Attorney.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 25th, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

July 21, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian Thomas McWilliams, Vice-President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: APPROVAL OF LEASE WITH ELECTRIC TRANSIT INC. (ETI) AT PIER 15 (THE EMBARCADERO AT GREEN STREET)

DIRECTOR'S RECOMMENDATION: APPROVAL OF LEASE WITH ELECTRIC TRANSIT INC. (ETI) AT PIER 15 (THE EMBARCADERO AT GREEN STREET)

BACKGROUND:

Electric Transit, Inc. (ETI), an Ohio corporation has entered into a contract with the San Francisco Public Transportation Commission to build 280 new articulated electric trolley busses to be used by the San Francisco Municipal Railway (MUNI).

Electric Transit has approached the Port to lease approximately 101,720 square feet of shed space at Pier 15 to be utilized as an assembly training and testing facility for these new electric business and approximately 29,700 square feet of shed space at Pier 15 to be used as a storage and staging facility for these new busses.

The new assembly facility will create approximately 75-80 new full time jobs and 50 or more new construction jobs.

This Print Covers Calendar Item No. **6A**

PORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-64

WHEREAS, Section 3.581 of the Charter of the City and County of San Francisco empowers the San Francisco Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port Jurisdiction; and

WHEREAS, Electric Transit, Inc., an Ohio corporation (ETI) has proposed to lease 101,700 square feet of shed space at Pier 15 for use as an articulated electric bus assembly facility for new electric busses to be used by the San Francisco Municipal Railway (MUNI); and

WHEREAS, Port staff has negotiated the terms of a three (3) year lease (Lease No. L-12850) for 101,700 square feet of shed space at Pier 15 on terms and conditions consistent with those outlined in the Memorandum to the Port Commission to Agenda Item 6A of the Port Commission meeting on July 25, 2000, a copy of which lease was available for public inspection with the Port Commission Secretary; and

WHEREAS, ETI has proposed to lease 27,900 square feet of shed space at Pier 15 for use as an electric busses storage staging and repair facility; and

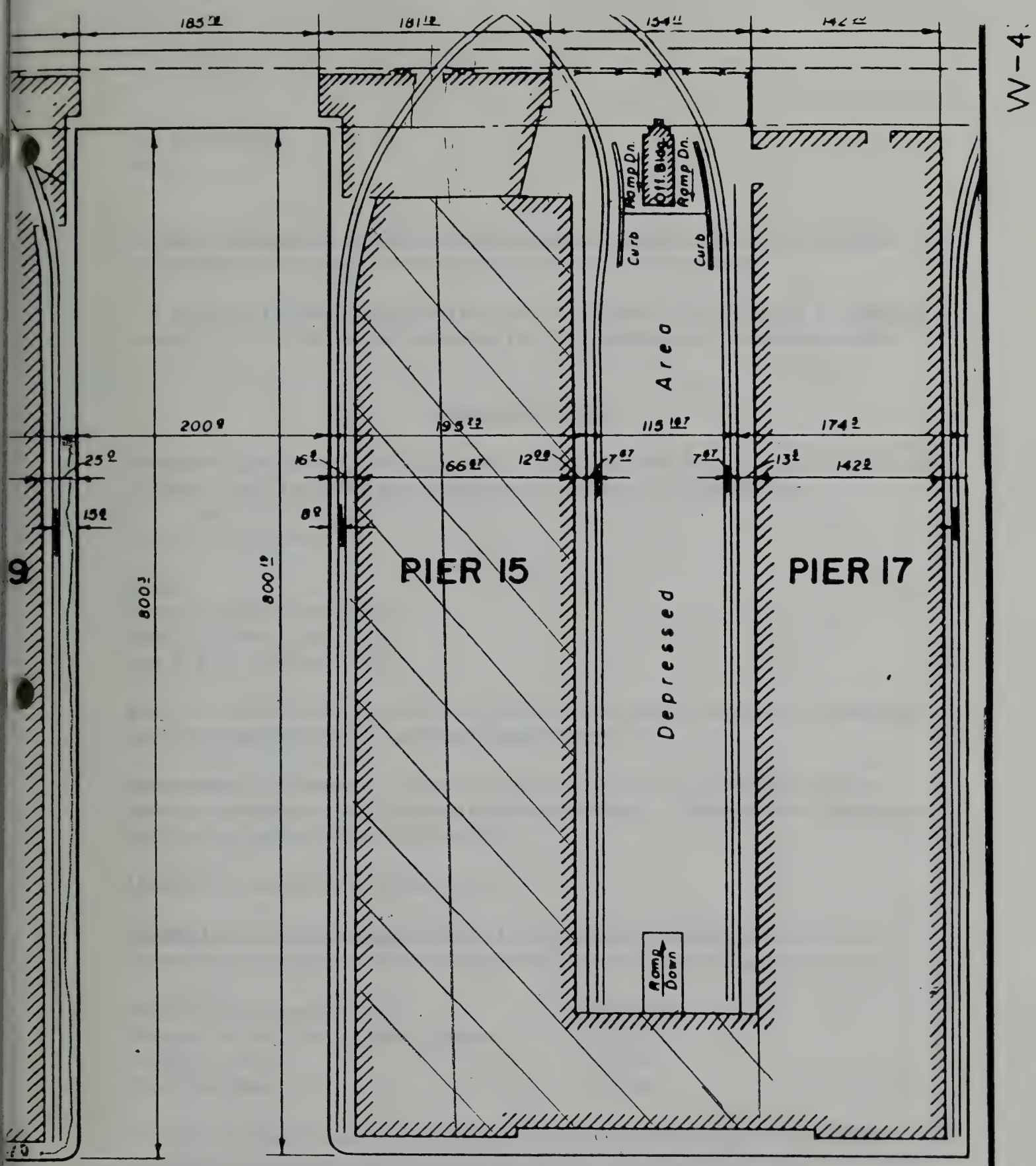
WHEREAS, Port staff has negotiated the terms of a three (3) year lease (Lease No. L-12973) for 27,900 square feet of shed space at Pier 15 on terms and conditions consistent with those outlined in the Memorandum to the Port Commission on July 25, 2000 for Agenda Item 6A of the Port Commission meeting of July 25, 2000, a copy of which lease was available for public inspection with the Port Commission Secretary; now therefore, be it

RESOLVED, that the Port Commission hereby approves Lease No. L-12850 and Lease No. L-12973 on the terms and conditions contained therein and as outlined in the Memorandum to the Port Commission for Agenda Item 6A for the Port Commission meeting of July 25, 2000 in substantially such form of Lease No. L-12850 and Lease No. L-12973 on file with the Port Commission Secretary, and be it further

RESOLVED, that the Port Commission authorizes and directs the Port Executive Director to enter into any additions amendments or other modifications to Lease No. L-12850 and/or Lease No. L-12973 (including, without limitation, preparation and attachment of, or changes to any or all of the exhibits to said Leases) that the Executive Director, in consultation with the City Attorney, determines are in the best interests of the Port and are necessary or advisable to complete the transactions which the Leases contemplate and effectuate the purpose and intent of this resolution, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of said Leases and any such amendments thereto.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 25 , 2000.

_____
Secretary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Fill Block
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Depressed
Ramp Down
9
10

ETI has committed to divert parts and spares shipped to the U.S. from the Czech Republic via rail from Baltimore to cargo vessels directly to the Port of San Francisco.

Port staff and ETI have negotiated the terms of two proposed leases (Lease No. L-12580 and Lease No. L-12973) for the two facilities at Pier 15 on the following terms and conditions:

Lease No. L-12850

Premises: Approximately 101,720 square feet of shed space in Pier 15 together with the non-exclusive right of pedestrian and vehicular access to the Pier 15-17 valley area.

Term: Three (3) years.

Rent:
Year 1: $20,344.00 per month;
year 2: $25,430.00 per month;
year 3: $30,516.00 per month.

Use: The assembly and testing of electric transit vehicles, training of assembly workers and general administrative office uses directly related thereto.

Maintenance and Repairs: The Port shall maintain only the roof and exterior walls in watertight condition and shall maintain the pier substructure. All other items of maintenance and repair are the sole responsibility of ETI.

Utilities: All utilities are to be paid for by ETI.

Capital Improvement Obligations of ETI: ETI will install not less than $662,960 of capitalizable tenant improvements to include the following items and approximate costs.

Building Repairs and Painting:	$179,500
Fire and Life Safety Repairs and Upgrades:	$138,500
Utility Upgrades:	$336,460
Permits and Fees:	$ 9,000

To the extent that ETI does not expend the dollar amount required for such capitalizable tenant improvements, the rent for the second and third lease years will be adjusted to reflect the deficiency so that the amount of such deficiency will be received as rent.

ETI's Right to Terminate: At any time following the eighteenth (18th) month of the term, ETI may terminate the Lease upon six (6) months written notice.

Lease No. L-12973

Premises: Approximately 29,700 square feet of shed space at Pier 15.

Term: Three (3) years.

Rent: Year 1: $5,940.00 per calendar month.
Year 2: $7,425.00 per calendar month.
Year 3: $8,910.00 per calendar month.

Use: Storage of electric business, employee training, vehicle repair, vehicle testing and for no other uses.

Utilities: All utilities are to be paid for by ETI.

Maintenance and Repairs: The Port shall maintain only the roof and exterior walls in watertight condition and shall maintain the pier substructure. All other items of maintenance and repair are the responsibility of ETI.

ETI's Right to Terminate: At any time following the eighteenth (18th) month of the term, ETI may terminate the Lease upon six (6) months written notice.

Port Commission approval is required to permit the rental rate set forth in the Leases. The net effective rental rate over the four year term for both Leases is $0.266 per square foot. The Port Commission approved Rental Rate Schedule provides for a minimum net effective rent for the Pier 15 shed of $0.48 per square foot. When added to the minimum rent the value of the capitalizable tenant improvements to Pier 15 reflect a combined cash and "in kind" rental rate of $0.41 per square foot.

Recommendation: Port staff recommends approval of Lease No. L-12850 and Lease No. L-12973.

Prepared by: Nicolas J. Dempsey, Senior Property Manager

PORT OF SAN FRANCISCO

Ferry Building
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MEMORANDUM

July 21, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian Thomas McWilliams, Vice-President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: APROVAL OF 20 YEAR LEASE WITH PACIFIC MARINE YACHT CHARTERS AT PIER 9 (BROADWAY AT THE EMBARCADERO)

DIRECTOR'S RECOMMENDATION: APPROVE 20 YEAR LEASE WITH PACIFIC MARINE YACHT CHARTERS AT PIER 9 (BROADWAY AT THE BARCADERO)

Background:

Pacific Marine Yacht Charters (PMY) has approached the Port and has requested a twenty (20) year lease for a portion of Pier 9 to conduct its dining yacht and excursion yacht business. PMY is currently a subtenant at Pier 39. However, PMY feels that because the greater percentage of its business is with corporate clients, it would be better situated closer to the financial district and its customer source.

PMY and Port staff have negotiated the terms of a proposed lease (Lease No. L-12938) on the following terms and conditions.

Premises:

Parcel A:	Approximately 6,215 of Shed and Office Space on the south side of Pier 9.
Parcel B:	Approximately 3,500 square feet of Marginal Wharf space located between Pier 9 and 15.
Parcel C:	Approximately 60,000 square feet of water area adjacent and contiguous to the Parcel A Premises.

THIS PRINT COVERS CALENDAR ITEM NO. 6B

Term: Twenty (20) years.

Base Rent: $12,750 per month.

Percentage Rent: Seven percent (7%) of gross sales in excess of the Base Rent Obligation.

Permitted Use: Tenant may use the Premises for the operation of marine dining yachts and excursion boat service to include without limitation:

A. On the Premises:

(i) The berthing of passenger vessels, provided that such berthed passenger vessels do not occupy water area beyond the boundaries of the Parcel C Premises Restricted Berthing Area, and further limited to the types of maritime "special Excursion Service" and Common Carrier Ferry service" as defined by United States Coast Guard Regulations and Support Activities permitted by all laws as of the date hereof. (By way of example, gambling or gaming excursions are not currently permitted by any laws and, therefore, are prohibited uses under the terms of this Lease.) Any type of Special Excursion Service or Common Carrier Ferry Service prohibited by any law as of the date hereof and subsequently which are permitted under new laws or revisions or amendments to existing laws, or any other use of the Premises not permitted by this Lease, shall in each instance require the approval by resolution of the Port Commission, which approval may be granted, withheld or denied in the sole and absolute discretion of the Port Commission.

(ii) The loading and unloading of passengers on board and off of vessels berthed in the Restricted Berthing Area.

(iii) General administrative offices in the Parcel A Premises only in support of Tenant's other permitted uses.

(iv) Food and beverage storage and food preparation in the Parcel A Premises only.

(v) Maintenance and repair of Tenant's dining yacht and excursion boat vessels in the Parcel A Premises only.

(vi) Training of Tenant's employees in the Parcel A Premises only.

(vii) The Parking of up to two (2) vehicles inside the Pier 9 Facility, provided that such parking does not interfere with life safety requirements as may be established from time to time by the Port Fire Marshall.

(viii) The parking of employee vehicles and the loading and unloading of passenger busses on the Parcel C Premises. No other portion of the Premises may be used for the loading and unloading of passenger busses. Passenger busses may not park on the Premises.

(ix) The incidental service of food and beverages (including alcoholic beverages) on the Parcel A Premises only in connection with the uses permitted on board Tenant's marine dinning yachts and excursion yacht vessels.

(x) Photo services and photo sales.

(xi) Retail sales of souvenir and ancillary items.

(xii) Food and Beverage service incidental to Tenant's diving and excursion yacht business.

B. On board Tenant's marine dining yachts and execution yacht vessels:

(i) The sale of food and beverages.

(ii) Subject to Tenant's receipt of all approvals required by any Laws and by the State of California Alcoholic Beverage Control Board, the sale of alcoholic beverages for consumption on board Tenant's dining yacht and excursion yacht vessels.
(iii) Catering services.
(iv) Ticket sales offices for Tenant's marine dining yachts and excursion boat services.
(v) Photo services and photo sales.
(vi) Retail sales of souvenir and ancillary items.

No other uses are permitted without the approval of the Port Commission.

Rent Credits: Rent credits are available to PMY for certain exterior pier improvements, exterior shed improvements, interior shed improvements, and related permitting and fees, totaling $615,373.50.

The Port Commission Rent Credit Policy (Resolution 91-118) allows rent credits for the following categories:

A. Work which falls within the responsibility of the Port,
B. Improvements that will increase the basic rental value of the space; and
C. Work and Improvements that will provide for an expansion of tenant's business thereby increasing the financial return to the Port.

Exhibit B outlines the tenant improvement categories and their projected costs. Those items determined by Port staff to typically be the responsibility of the Port are marked with an asterisk and total $200,000 of the $613,373.50 available for rent credits. The balance of the investment ($413,373.50) would be available for rent credits as work and improvements that will provide for an expansion of PMY's business thereby increasing the financial participation of the Port.

The Port Finance Division projects that the Port's cash flow over the first ten years of the proposed lease will total over 4.3 Million Dollars after the application of all rent credits.

Rent credits may only be applied against one half of PMY's percentage rent obligation.

In addition to the $613,373.50 available for rent credits, PMY will invest another $1,011,228.00 in tenant improvements to the Pier 9 interior. These improvements and their projected costs are shown on Exhibit C.

Recommendations: Port staff recommends approval of Lease No. L-12938.

Prepared by: Nicolas J. Dempsey, Senior Commercial Leasing Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-65

WHEREAS, Section 3.581 of the Charter of the City and County of San Francisco empowers the San Francisco Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, Pacific Marine Yacht Charters, LLC, a California limited liability corporation has proposed to lease 6,215 square feet of Shed Space and Office Space at Pier 9, 3,500 square feet of Marginal Wharf space between Piers 9 and 15 and 60,000 square feet of water area on the south side of Pier 9 for the operation of its dining and excursions yacht business, and

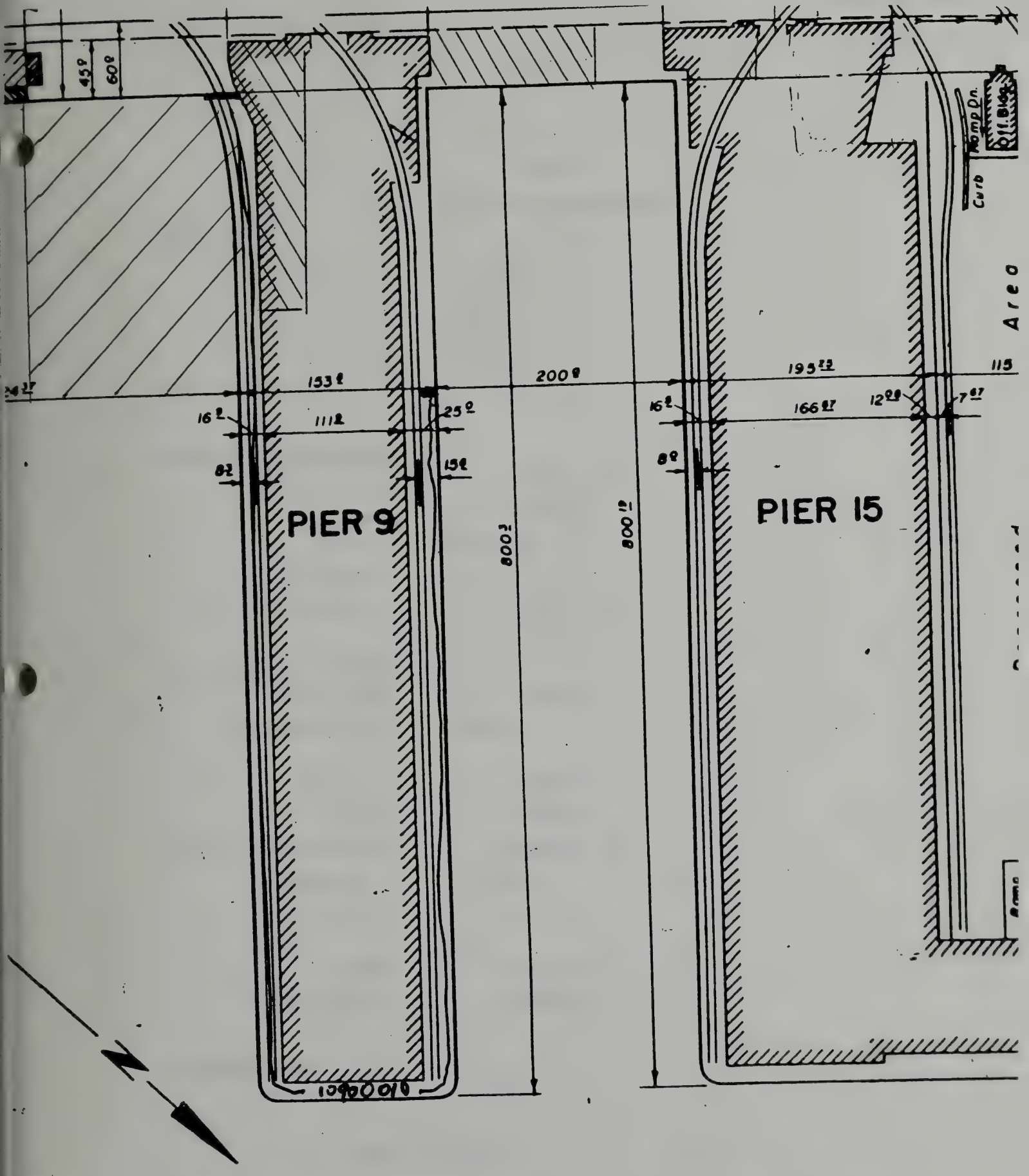
WHEREAS, Port staff has negotiated the terms of a twenty (20) year lease (Lease No. L-12938) on terms and conditions consistent with those outlined in the Memorandum to the Port Commission for Agenda Item 6B of the Port Commission meeting on July 25, 2000, a copy of which lease was available for public inspection with the Port Commission Secretary; now therefore be it

RESOLVED, that the Port Commission hereby approves Lease No. L-12938 on the terms and conditions contained therein and as outlined in the Memorandum to the Port Commission for Agenda Item 6B of the Port Commission meeting of July 25, 2000 in substantially such form of Lease No. L-12938 on file with the Port Commission Secretary; and be it further

RESOLVED, that the Port Commission authorizes and directs the Port Executive Director to enter into any additions amendments or other modifications to Lease No. L-12938 (including, without limitation, preparation and attachment of, or changes to any or all of the exhibits to said Leases) that the Executive Director, in consultation with the City Attorney, determines are in the best interests of the Port and are necessary or advisable to complete the transactions which the Leases contemplate and effectuate the purpose and intend to this resolution, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of said Leases and any such amendments thereto.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 25, 2000.

_____
Secretary



1" = 100'

EXHIBIT A

Pier 9

Shell Construction Estimate

Exterior Pier			
Pier Deck	$	10,000.00	*
Pier Railing	$	20,000.00	*
Docking Facility	$	300,000.00	
Lighting	$	6,000.00	*
Marginal Pier Improvements	$	20,000.00	*
Exterior Shed Improvements			
Spalling Concrete	$	10,000.00	*
Rollup Doors	$	10,000.00	*
Glazing	$	30,000.00	*
Roof Repairs	$		
Paint all southern facing wall	$	45,000.00	*
Interior Shed Improvements			
Safety Bollards	$	4,000.00	*
"Streetscape Entry"	$	20,000.00	
Mechanical	$	20,000.00	
Electrical	$	20,000.00	
Plumbing (include Restroom)	$	30,000.00	*
Breeze way	$	15,000.00	*
Sprinklers	$		
Sub-total	$	69,000.00	
5% Contingency	$	28,450.00	
Permitting & Fees			
3% of sub-total	$	17,923.50	
Total	**$**	**615,373.50**	

Tenant agrees, at Tenant's sole cost and expense to undertake such modifications and repairs. In consideration of Tenant's reasonable expenditures directly related to the design, construction and installation of such modifications and repairs and following Port's approval, (which approval may not be

EXHIBIT B

Pier 9 Interior
Cost Estimate

Item	Total	
Offices Carpentry	$	405,300.00
Demolition		
Framing		
Drywall		
Doors		
Glass		
Hardware		
Finishes	$	118,888.00
Flooring		
Painting		
Ceiling		
Electrical	$	32,424.00
Outlets/Switches		
Lights		
Security		
HVAC	$	21,616.00
Distribution		
Plumbing		Incl in Exterior
Fixtures		
Storage Area	$	28,000.00
Commercial Kitchen	$	405,000.00
Equipment		
Mechanical		
Finishes		
Contractors Overhead		Incl
Permits/Fees		Incl
Contingency		Incl
Total	$	1,011,228.00

EXHIBIT C

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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www.sfport.com

MEMORANDUM

July 21, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Status Report – Pier 45 Fish Processors

I am submitting this memo to update you on the issues that have been raised recently regarding fish processing facilities and operations at Pier 45. The "Pier 45 Task Force" is a subset of the Fisherman's Wharf Beautification Committee, a group of tenants and agencies charged with addressing safety and quality of life issues in the Fisherman's Wharf area. The Task Force formed to address concerns specific to Pier 45. One of its early efforts was initiating inter-agency inspections to coordinate overlapping jurisdiction of various agencies and clarify regulatory requirements. The Task Force's first coordinated inspection was conducted on May 19, 2000. My previous report to you (dated June 23, 2000) and a letter from Doug Wong to Supervisor Ammiano (dated July 7, 2000) on this subject are attached for reference.

Since the time of my last report:

Each of the agencies that participated in the inter-agency inspection on May 19, 2000 is following up with individual tenants to set appropriate timelines for correcting violations or taking other action as needed. The Fire Department issued eight citations, and all have been fully corrected. The Port Building Inspection Department issued twelve notices of violation. All recipients are in contact with Building Inspection staff and have either corrected or are in the process of correcting deficiencies. . State DHS issued seven notices of violation, and is working with tenants to ensure that appropriate corrective actions are implemented. Environmental Section staff identified hazardous materials management issues requiring follow-up in twelve facilities, which have been referred to the City and County Department of Public Health for permitting or other action. Environmental Section staff are also working with tenants and the Regional Water Quality Control Board to ensure that

wastewater and storm water from Pier 45 are discharged appropriately. Each agency will conduct follow up inspections in the future.

State DHS has completed inspections of seafood processing facilities at Piers 33 and 28, and issued notices of violation as appropriate. Port Building Inspection and Environmental section staff have begun inspections at Piers 33 and 28, and will have completed them August 1. These inspections will be followed by issuance of notices of violation and implementation of corrective actions as needed.

On July 19, 2000, Port Real Estate Division staff and representatives of four of the Pier 45 Task Force Agencies (State Department of Health Services, Port Environmental Health and Safety, Port Building Inspection, and the Port Fire Marshall) met with the fish processing tenants as a group to review each agency's priorities and provide an open exchange of information. Twelve tenants attended. Several have subsequently contacted Port staff to express their desire to work with Port Staff to ensure full compliance with regulatory requirements. Handouts provided to the tenants at that meeting are attached for your reference.

On July 21, Port staff conducted a survey of Pier 45 to identify any modifications to existing facilities needed to ensure that the facilities comply with current ADA standards. The Port's ADA compliance coordinator will issue recommendations generated by this survey, and work with Engineering and Real Estate to establish a time line for implementing appropriate corrective action.

Port and other agency staff will continue to assist tenants in bringing their premises up to code and work toward correcting potential environmental, safety and disability access issues at Pier 45. Engineering and Real Estate staff will work together to gain access to premises that have not yet been inspected. The Port's Environmental Section is working with Regional Water Quality Control Board staff to conduct coordinated inspections at Pier 45 and other facilities. The Task Force will continue to meet regularly, and is expanding its efforts to include fish processing operations at Piers 28 and 33, and issues associated with herring fishing. We are confident that the coordinated efforts of the Task Force and tenants will successfully resolve any outstanding issues safely and fairly.

Prepared by: Carol Bach

PORT OF SAN FRANCISCO

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July 7, 2000

Hon. Tom Ammiano, President
San Francisco Board of Supervisors
City Hall, Room 268
One Dr. Carlton Goodlett Place
San Francisco, CA 94102-4689

Dear Supervisor Ammiano:

Thank you for your letter and your interest in our fish handling facilities at Pier 45. Port staff has been working hard to address conditions for tenants and the public at Fisherman's Wharf. In 1999, we established the Fisherman's Wharf Beautification Committee, a group of tenants and agencies charged with addressing safety and quality of life issues in the area. This committee includes the San Francisco Fire, Public Health, and Public Works Departments, the State Departments of Public Health and Fish and Game, and the California Food and Drug Administration. A subset of the Fisherman's Wharf Beautification Committee formed the "Pier 45 Task Force" which has been meeting since March of this year to address concerns specific to Pier 45.

Regarding the specific complaints raised in your letter:

1. Non-compliance with ADA codes. When the seismic upgrades funded by FEMA and other improvements funded by grants from the Federal Economic Development Agency and the State were completed in 1995, parking and building entrances complied with ADA. Since that time, new uses of shed A, relocated parking, and new informal parking adjacent to leased buildings have changed the originally designated accessible paths of travel and parking layouts. We are investigating how best to accommodate these changes while providing the required accessibility, and will work toward a safe and satisfactory solution. The forklift-traveled routes to which the complaint refers are the routes that able-bodied and disabled users alike would use. This path of travel requires some improvements to meet ADA requirements. These improvements are under development, funded and included in the Port's ADA Transition Plan. The existing accessible entrances to tenant areas from the Pier 45 apron are on the southwest side of Sheds B and D, and all are clearly labeled.

2. Non-Compliance with the California Fire Code. The EDA-funded improvements to Sheds B and D included installation of fire-rated walls and a Class III charged stand-pipe system in accordance with the San Francisco Building Code and Uniform Fire Code.

3. Violation of Federal Environmental Protection Act and State Water Quality Acts. The Pier 45 Earthquake Repair Project included construction of three separate drainage systems to capture storm water runoff, industrial wastewater, and sanitary wastewater. The storm sewer, to which the complaint refers, collects runoff from the valley area between the shed buildings which may collect petroleum or other contaminants from the parking area as it drains to the collection trench. Storm water runoff passes through an oil/water separator and oil-absorbing material before discharging to the bay. This is a legal and appropriate way of managing runoff from a traffic and parking area, but is not intended to handle wastewater from fish processing or other activities. The sanitary sewer system installed in both sheds B & D serves each tenant space. The industrial wastewater system drains the inside building occupancies, and discharges to the combined sewer system. Allegations have been raised regarding tenants discharging wastewater into the storm drains or directly to the Bay. We take these allegations seriously and will continue to work with our tenants and other agencies participating in the Pier 45 task force to inspect facilities, investigate and correct problems. The Port has also initiated education of its tenants regarding their legal obligations with respect to wastewater discharge and other environmental regulations.

4. Unequal treatment of tenants with respect to requiring compliance with building and health codes. I would like to emphasize that while tenants may be subject to different requirements based on specifics of their operations, the Port strives to be uniform and consistent in application and enforcement of building or health codes. The Port uses the same standards for all building inspections: the San Francisco Building, Electrical and Plumbing Codes. As part of the Pier 45 Task Force's continuing effort to improve conditions at Pier 45, representatives from the participating agencies, including the Port, San Francisco Fire, Public Health, and Public Works Departments, and the California Food and Drug Administration inspected all of the tenancies at Pier 45 that were accessible on May 19, 2000. Each agency inspected issues within their jurisdiction, and issued notices of violation or pursued other action as appropriate. Follow-up inspections will occur, and we will monitor the facilities to ensure tenants' compliance.

Working with the Fisherman's Wharf Beautification Committee, the Port has made improvements in many safety and quality of life issues in the Fisherman's Wharf area over the past sixteen months. There are issues that we need to investigate further, and I am confident that working with the Pier 45 Task Force we will be able to resolve them safely and fairly. I would be happy to discuss this with you further. Please feel free to call me at 274-0401.

Sincerely,

for

Douglas F. Wong
Executive Director

PORT OF SAN FRANCISCO

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www.sfport.com

MEMORANDUM

June 23, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Alexander Lee
Director of Facilities and Operations

SUBJECT: Status Report – Pier 45B

I am prompted to submit this report in response to a letter to the Port Commission, dated June 20, 2000, by Ms. Charlie Akwa of North Atlantic San Francisco, Inc. at Pier 45.

Port staff has taken the following actions:

On March 2, the Port, represented by Mr. Elliott Riley, chaired the first Pier 45 task force meeting with the intent of addressing health and safety issues. The task force is comprised of representatives from the Port's Real Estate, Port's Environmental, Port's Facilities & Operations, Port's Fire Marshal, Department of Public Health, Department of Public Works, the State Department of Health Services - Food and Drug Branch, the State Department of Fish and Game.

On March 23, members of the task force attended the Herring Advisory Committee meeting, which was chaired by the State Department of Fish and Game, and made a presentation on Health and Safety issues as they will apply to the herring processors in future seasons.

On March 30, the Port Fire Marshal distributed a memo to Pier 45 tenants citing specific Fire Code Regulations that he will be enforcing in the future.

On May 10, the task force met with Mr. Tom Creedon, President of the Fisherman's Wharf Tenants Association, and adopted an action plan, which includes a comprehensive inspection of the facilities at Pier 45, 33, and 28. During these inspections all anomalies will be noted and/or cited as is appropriate. The work of the task force is to educate as well as provide enforcement.

On May 19, members of the task force performed an inspection at Pier 45 Shed B.

In June, inspection reports were sent to the Port's Real Estate Department to coordinate the efforts of sending out violation notices and to assist our tenants to bring their premises up to code. The Task Force will meet again shortly to discuss their findings and actions by team members. The meeting was delayed due to scheduled vacation of some of the team members.

Cliff Jarrard and I met with Ms. Akwa last week, mostly to listen, and to let Ms. Akwa know what we are doing. Ms. Akwa did bring up issues that need to be addressed, and we have noted them in our building inspection report. Staff has taken a reasonable, unemotional, and methodical approach to address these issues. Ms. Akwa demanded to have these issues discussed in open forum at a Port Commission meeting. I leave this decision to the Commission. Attached is a letter to Ms. Akwa explaining the approach of the Port.

On June 22, at my direction, the Port's Chief Building Inspector issued notices of violations to the affected tenants at Pier 45. We will assist our tenants in order for them to bring their premises up to code. Engineering and Real Estate staff will work together to gain access to all premises at Pier 45 for future inspections. I have also instructed the Port's Environmental Section to make periodic observations of activities at Pier 45 that may compromise the environmental conditions of the lagoon area. I expect this report to be available in mid-July.

The task force will be meeting on a bi-monthly basis. Follow up educational efforts and inspections will be preformed to bring all premises up to code and to insure a healthy and safe working environment at Pier 45 Shed B.

c: Douglas Wong
Terry Picon
Cliff Jarrard
Ed Bubnis
Tom Petersen
Carol Bach
Ken Cereghino
Mark Lozovoy
Elliott Riley

I:\Alee\pier 45 akwa.doc

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
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www.sfport.com

Memo - Desk of Port Fire Marshal

Date: 07/18/00

To: Pier 45 Leaseholders and Sub Leaseholders

From: Captain Kenneth Cereghino Captain Ken Cereghino
Port Fire Marshal

RE: Fire Code Regulations

This is a list of the most common infractions of the San Francisco Fire Code. These violations of the San Francisco Fire Code may cause citations or a Notice of Violation to be issued at any time the infraction occurs.

* Storage of Combustibles:	Minimum of two feet below metal roof support joists
	Minimum of five feet from side of building
	No storage in common corridor area

This includes the stacking of totes and wooden pallets. Pallet stacks are not to exceed six feet in height.

*Combustible Trash:	Trash shall be removed from the building once each day.
* Fire Lane:	Access around Sheds B and D at all times
	Unattended vehicles will be towed
	Placement of fish scales on apron for herring transfer requires approval of Port Fire Marshal prior to installation.
* Permits:	SFFD permits issued by the Port Fire Marshal are not transferable. Sub tenants that use propane powered equipment of the master leaseholder are required to apply for a separate SFFD permit.
*Storage of Propane:	Away from exits, maintained in an upright position and not subject to damage. Changing of propane tanks shall be done outside of the sheds.
*Open Flames:	Open flames are not allowed within the Sheds, unless equipment is listed for that use and approved by the regulating agencies and the Port Fire Marshal. The use of bar-b-que and cooking within the sheds is not allowed.
*Exit Doors:	Exit doors shall not be obstructed at any time.

PORT OF SAN FRANCISCO

TO: Fisherman's Wharf Task Force
And Seafood Processors

DATE: July 18, 2000

FROM: Port of San Francisco Environmental Health and Safety

SUBJECT: Best Management Practices for Seafood Processing Waste

---

Seafood processing waste must be handled in accordance with state and local laws. Illegal disposal of seafood processing waste can harm water quality and surrounding aquatic life. The following "Best Management Practices" will help you understand what are acceptable practices when dealing with waste.

All processing waste, including wastewater from cooking or water containing soap or chemical cleaners, must be discharged to the industrial sewer system drains within the building.

Bay water used in flow-through systems for holding live organisms and discharged back to the bay may or may not require a permit, depending upon the specific conditions of the discharge. If you are using a flow-through system that discharges water to the bay, notify the Regional Water Quality Control Board to determine whether a permit is required for your operation.

If cleaning up material on the deck outside the building:

- **SWEEP.** Broom sweep deck surface thoroughly before rinsing with water. This will help reduce the amount of debris that is washed into the water.

- **PICK-UP** all solid waste, debris, and dirt from pier deck. This should be disposed of in a trash bin.

- **WASH** the deck only after you have swept and picked up all trash and debris. Never use soaps or other cleaners. Only use tap or bay water.

- **DRAIN.** If you cook seafood, drain all the water to a sewer drain located in your leased space.

If you have questions, contact the Port's Environmental Health & Safety Dept.:
Tim Gallagher 274-0588
Carol Bach 274-0568.

Pier 45 (33 and 28) Task Force

DHS – Food and Drug Branch
List of Priorities
Piers 45, 33, and 28

1. HACCP Violations (2)

2. Lack of handwash sinks (4)

3. Inadequate disposal of wastewater due to hole in the pier floor (5)

4. Inadequate disposal of wastewater from crab cooking tanks and crab/lobster wet storage tanks.

5. Lack of restrooms or lack of adequate restrooms (5)

6. Polar Ice manufacturing

PORT OF SAN FRANCISCO

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MEMORANDUM

July 20, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: APPROVAL OF DEVELOPMENT AGREEMENT WITH RINCON PARK RESTAURANTS, LLC FOR DEVELOPMENT OF RINCON PARK RESTAURANT SITE INCLUDING THE FORM OF GROUND LEASE AND APPROVAL OF RELATED MODIFICATIONS TO THE DESIGN & ACCESS ELEMENT OF THE *WATERFRONT LAND USE PLAN* (RESOLUTION 00-60); AND APPROVAL OF SCHEMATIC DRAWINGS FOR THE RESTAURANT SITE (RESOLUTION 00-61)

RECOMMENDATION: APPROVAL OF ABOVE DESCRIBED ITEMS.

I. Introduction

The Port owns property along The Embarcadero between Harrison and Howard streets. The Port has agreed to lease most of the property to the San Francisco Redevelopment Agency (Redevelopment Agency) to operate as a public park ("Rincon Park"). The Port, however, reserved a portion of the property (the "Restaurant Site") from the lease to the Redevelopment Agency that the Port plans to lease to a developer for construction and operation of a restaurant development.

This report concerns development of the Restaurant Site [the "Project"] near the southern end of Rincon Park. The Project consists of construction and operation of a two-building development consisting of two restaurants and a central "piazza" or outdoor space on a 20,000 square foot parcel in the southern portion of Rincon Park. The Project is defined in greater detail below.

This Print Covers Calendar Item No. **8A**

II. Background

Nearly 20 years ago (in January 1981), the San Francisco Board of Supervisors and the Redevelopment Agency adopted the Rincon Point-South Beach *Redevelopment Plan*, which designated a future park along The Embarcadero roughly between Harrison and Howard Streets ["Rincon Park" or "Park"], and earmarked 12,000 square feet of the Park north of Folsom Street for restaurant uses. The *Redevelopment Plan's* Design for Development outlined the design objectives and development standards and guidelines to be applied to the restaurant site, and describes it as "a 'Tavern on the Green' type restaurant(s) and plaza".

In January 1995, the Redevelopment Agency issued a variance (Resolution 7-95) to the *Redevelopment Plan* which, among other things, relocated the restaurant site within the Park from north of Folsom to south of Folsom and expanded the restaurant site from 12,000 square feet to 20,000 square feet (although the ground floor building site area was limited to 12,000 square feet). The variance allowed for the use of the additional 8,000 square feet of restaurant site area for outdoor terrace dining. The Port supported the variance because the relocation and expansion of the restaurant site would create a more marketable opportunity for a restaurant operator.

In June 1995, the Port Commission entered into an Agreement to Lease with the Redevelopment Agency for Rincon Park. In the Agreement to Lease, the Port agreed that no more than 12,000 square feet of the restaurant site would be used for restaurant buildings and that the restaurant type would be "first-class" and with a height of "approximately seventeen (17) feet from the finished grade of the Park, including any rooftop utility penthouses." The Agreement provide that the remaining 8,000 square feet of restaurant site area may be used for purposes consistent with and ancillary to restaurant related uses (i.e. tables, chairs, benches) and that parking and driveway access may also be provided within the site. Pursuant to the Agreement, the Redevelopment Agency delegated to the Port complete control over the design of the restaurant, provided that the design conformed to the guidelines set forth in the *Redevelopment Plan*, as modified by the above-mentioned variance, and the covenants for use of the restaurant site provided in the Agreement to Lease.

On July 23, 1998, the Port issued a Request for Proposal ("RFP") for the Restaurant Development Opportunity at Rincon Park. Pursuant to this RFP, the Port Commission by Resolution 99-106 awarded to Nice Ventures Inc. the opportunity to enter into an exclusive right to negotiate with the Port for the Project. The Port Commission on March 9, 1999 approved an Exclusive Right to Negotiate agreement by Resolution 99-10.

The Exclusive Right provides that during the Exclusive Negotiation Period, Port staff and Nice Ventures are to negotiate Agreements which include the economic parameters, development standards and requirements for the Project, and a performance schedule. It also provides that the Agreements would be subject to Port Commission approval and could not be considered by the Port Commission until environmental review under the California Environmental Quality Act (CEQA) is completed.

During the Exclusive Negotiation Period, Nice Ventures refined the design and scope of the Project, which is reflected in the Scope of Development (an attachment to the Development Agreement) and Schematic Drawings. From an overall design perspective, the Restaurant Project is linked to Rincon Park. A design concept to "surround" the restaurant site with the Park has been embraced by the Port and the Redevelopment Agency through the joint approval by both agencies of the Rincon Park Schematic Design in February 2000. Final design of the Park, including refinements to the interface areas between the Park and Restaurant sites, depends in part upon the Port's approval of the Schematic Design of the Restaurant Site which will confirm the location of the restaurant buildings and outdoor spaces in relation to the Park site.

Also during the Exclusive Negotiation Period, Rincon Park Restaurants, LLC, a California limited liability company, was formed, with Nice Ventures, Inc., as managing member, to pursue the restaurant project. Articles of Organization for Rincon Park Restaurants, LLC, were filed with the California Secretary of State on May 25, 1999.

The following has also been accomplished to date during the Exclusive Negotiation Period:

- On February 29, 2000 the Port Commission and Redevelopment Agency jointly approved the Basic Concept and Schematic Design Drawings for Rincon Park.

- On April 26, 2000 the Waterfront Design Advisory Committee (WDAC) provided comments and recommendations on the schematic design of the Project (discussed further under "IV. Schematic Design")

- The San Francisco Planning Department reviewed and provided comments on the schematic design of the Project through its participation on the WDAC.

- On May 15, 2000 the Rincon Point-South Beach CAC, after a series of design presentations on the project, voted to endorse the schematic design of the Project (discussed further under "IV. Schematic Design")

- The San Francisco Bay Conservation and Development Commission (BCDC) Design Review Board (DRB) held public hearings on the Park project (including the restaurants) on November 8, 1999, January 10, 2000, May 8, 2000 (focused primarily on the restaurants) and July 10, 2000.

Following approval of the Agreements by the Port Commission, the following additional approvals must be obtained before construction can proceed:

- Approval of the Lease by the San Francisco Board of Supervisors.

- Issuance of a BCDC permit.

- Port Executive Director review and approval of final design, including further review by WDAC as appropriate.

- Issuance of a building permit by the Port.

Nice Ventures Inc. expects to receive these approvals and to commence construction by August 2001, and expects to complete construction by June 2002. If approved, this Project will implement a component of the *Redevelopment Plan* that has been anticipated since 1981.

III. CEQA

The Board of Supervisors and the Redevelopment Agency adopted the *Rincon Point-South Beach Redevelopment Plan* in January 1981 following certification of a Final EIR (FEIR) by the San Francisco Planning Commission and Redevelopment Agency Commission. A Supplemental EIR (SEIR) was prepared regarding the Redevelopment Plan and was certified in August 1991. Although the Redevelopment Plan and related environmental analyses include the Project, more specific information is now available concerning the design of the project. Therefore, the San Francisco Planning Department has prepared, and the Port Commissioners have each received, a Memorandum to City Planning File No. 90.088E dated June 23, 2000, that analyzed the potential environmental impacts arising from the Project.

Based on the Memorandum, the Planning Department determined that no new significant impacts would result from the Project, no important changes in circumstances involving potential significant impacts have occurred since the FEIR and SEIR were certified, and no new information has come to light that would involve the potential for new significant impacts not discussed in the Redevelopment Plan FEIR or SEIR. Therefore, no supplemental or subsequent environmental analysis is required for the project beyond that already contained in the *Rincon Point-South Beach Redevelopment Plan Final Environmental Impact Report* (FEIR, File EE 80.267), certified November 5, 1980, and the *Rincon Point-South Beach Redevelopment Plan Supplemental Environmental Impact Report* (SEIR, File 90.088E), certified August 15, 1991, and the *Port of San Francisco Waterfront Land Use Plan Final Environmental Impact Report* (FEIR, File 94.155E) certified January 9, 1997, copies of which are on file with the Port Commission secretary.

IV. PROPOSED AGREEMENT

The form of the Agreements negotiated by Port staff and Rincon Park Restaurants LLC consist of a Development Agreement, with other documents concerning the transaction attached as exhibits. These exhibits include the Form of Lease with Rincon Park Restaurants LLC.

Approval is now being sought from the Port Commission for the Development Agreement, including the attached exhibits. The Development Agreement will be executed by the Port following its approval by the Port Commission and the approval of the Lease by the Board of Supervisors. The Development Agreement will go into effect immediately upon its execution by the Port and Rincon Park Restaurants LLC, but the Lease will not go into effect until certain conditions are satisfied under the Development

Agreement, some of which are discussed below. Once these conditions have been satisfied, the fully executed Lease will be delivered to the parties through an escrow, after which construction can begin.

A. Development Agreement

The purposes of the Development Agreement are to set forth the conditions for the development of the Rincon Park restaurants, and to state the conditions for delivery of the Lease for the Restaurant Site. The Port will be obligated to deliver the Lease to Rincon Park Restaurants LLC provided the conditions are satisfied.

The Port and the Developer must satisfy certain conditions stated in the Development Agreement prior to execution of the Ground Lease. These conditions include, but are not limited to, the following:

1. The Port has approved all construction documents and issued a building permit for the Project;

2. The Developer has obtained all other required Regulatory Approvals for the Project;

3. The Port has approved Developer's:
    a) formation and authority documents
    b) Project Budget
    c) Financing Plan (both equity and debt, if any)
    d) Completion Guaranty to the extent also required by any lender for the Project;

4. A construction contract has been approved by the Port and signed by the Developer and its contractor;

5. A title company is ready to issue title insurance policies to Developer and the Port;

6. The City has completed certain street vacations;

7. The Developer has submitted to the Port evidence of compliance or commitment to comply with certain City special ordinances, including diversity, non-discrimination and card check; and

8. The Port is in a position to deliver possession of and rights to the Restaurant Site to the Developer free of occupancy by others.

B. Lease

The Restaurant Site was created as a result of the realignment of The Embarcadero roadway. A Ground Lease has been negotiated based upon the fair market value for the

unimproved property. The Ground Lease, which will be delivered through escrow when the above conditions are satisfied, will include the following business terms:

Property: The Property contains approximately 20,000 square feet of land area located adjacent to and partially surrounded by Rincon Park, adjacent to San Francisco Bay and The Embarcadero, south of the Ferry building, as shown on the Attachment 1.

Permitted Uses: The Property may be used for constructing and operating two full-service restaurants for onsite or offsite consumption of food and beverages. No more than 12,000 square feet of the site may be used for restaurant buildings; the remaining area may be used only for purposes consistent with and ancillary to restaurant uses including public access and open space; exterior tables, chairs and benches; temporary outdoor facilities such as windscreens, canopies and heaters; onsite loading and unloading and/or valet pick-up and drop-off.

Term: The Initial Term of the Ground Lease expires 25 years after the date that a Certificate of Completion for the Project is issued. Five additional five-year Options to Extend the Term are provided. The first three extension options are at fair market value for vacant land; the last two extension options are at fair market value for improved land and buildings.

Minimum Rent: The Minimum Rent to the Port during the Development Agreement Period (between approval of the DA and execution of the Ground Lease) and the Construction Period is $5,000 per month; during the Initial Term, the Minimum Rent is $200,000 per year.

Minimum Rent Adjustments during Initial Term: Every year the Minimum Rent shall be increased by 3.33 percent, as previously adjusted.

Minimum Rent Adjustments during Extended Terms. Every year the lesser of CPI or 3.33 percent per year shall increase the Minimum Rent.

Percentage Rent. The Percentage Rent is 3%of gross receipts (less sales tax).

Rent Credits. The maximum total rent credit is $759,000 for site preparation related construction items that are individually capped as estimated below. The maximum credit cap for each Rent Credit category may be adjusted within and between each category prior to executing the Ground Lease based upon a Budget of total development costs for the Project and within the maximum total rent credit permitted. The rent credits may be applied toward 50% of Percentage Rent due to the Port provided that the Minimum Rent is always paid. Unapplied Rent Credits may be carried over until all of the allowed Rent Credits have been applied.

- Geotechnical studies – 50% of costs up to a maximum of $40,000. Estimated maximum credit: $20,000.
- Hazardous materials remediation – 50% of costs up to a maximum of $100,000, then 100% of the next $200,000. Estimated maximum credit: $250,000.

- Pile supported construction – 100% of cost for any piles necessary for construction. Estimated maximum credit: $369,000.
- Utilities or turnout – 100% of cost for removal of abandoned water main, utility main connections, and access turnout. Estimated maximum credit: $120,000.

Condition of Site. Site will be delivered "as is", noting that grading of and utility installations to the Site are generally as shown in exhibits attached to the Development Agreement.

Transfer Rights. No transfer is permitted prior to close of escrow without Port approval in its sole and absolute discretion; no transfer is permitted after close of escrow without the Port's approval in its reasonable discretion. Tenant is released from liability after transfer.

Financing/Guarantors. Prior to close of escrow, the Port must approve a Financing Plan in its reasonable discretion. The Port will obtain Construction Completion Guaranties from any persons/entities that provide guaranty to the tenant's lender. The Port will not subordinate fee interest in the land or interests in rents.

Port/City Requirements. Tenant to comply with all City requirements including, without limitation, ordinances and requirements regarding non-discrimination, card check, tropical hardwood and virgin redwood ban, first source hiring, Burma Prohibitions, MacBride Principles-Northern Ireland, Tobacco Products Advertising Ban, Pest Management Program. The entire transaction is subject to approval by the Port Commission and Board of Supervisors in their sole and absolute discretion.

C. Site Map and Legal Description

The Site Map and Legal Description attached to the Development Agreement and Lease locate the restaurant site more precisely than previous diagrammatic exhibits of the site from the Redevelopment Plan or the Agreement to Lease. This map is consistent with the Port and Redevelopment Agency's approval of the Rincon Park design and has been reviewed by Redevelopment Agency staff and found to be in conformance with the Agreement to Lease.

D. Scope of Development

The development generally consists of construction and operation of a two-building development consisting of two restaurants and a central "piazza" or outdoor space on a 20,000 square foot parcel in the southern portion of Rincon Park. Although the combined building footprints would not exceed 12,000 square feet, the combined interior building area is approximately 17,000 square feet.

E. Design & Access Element of the Waterfront Land Use Plan

Approval of the Scope of Development described in Attachment 11 of the Development Agreement will require some minor modifications and clarifications to the Waterfront

Land Use Plan Design & Access Element Design Criteria to implement the project, as described below.

1. Design Criteria for Rincon Park and Promenade

a) Change singular "building" and "restaurant" references to the plural given that two smaller restaurants are proposed within the allowed 12,000 square foot building footprint, rather than one single 12,000 square foot restaurant.

b) Add note that the origin of the referenced "17-feet" in the "Height" criteria is from the Port/Agency Agreement to Lease which provided that restaurant-building height is to be measured from the "finished grade of the Park".

c) Modify the "Service" criterion to permit an on-street loading zone or a realigned curb that would provide a recessed truck/passenger loading bay rather than service entry at the south end of the building.

2. Clarifications to the introductory discussion for the Rincon Park and Promenade Design Criteria

The introductory discussion, unlike the Design Criteria, is not prescriptive, but is provided for informational purposes based upon the best available information about potential projects in each subarea. These clarifications include:

a) Change the diagrammatic map to reflect the precise location of the "Future Restaurant" site, which is partially surrounded by "Future Rincon Park" as already approved by the Port Commission and the Redevelopment Agency on February 29, 2000.

b) Rincon Park would include two (2) two-story restaurants, the combined total building footprint of which would not exceed 12,000 square feet near the southern end of the Park. (The current description is "...a one-story, 12,000 square foot restaurant in the southern portion of the park.")

The potential environmental impacts of the Rincon Park Restaurants Project as described herein, including the aforementioned modifications and clarifications to the Design & Access Element, were analyzed by the San Francisco Planning Department's Major Environmental Analysis (MEA) department in a memorandum to File No. 90.088E dated June 23, 2000. In the memorandum, MEA recognizes that the design criteria set forth in the Design & Access Element are intended to mitigate visual impacts of development contemplated by the Port's Waterfront Plan and concludes that the proposed amendments to the Design & Access Element would not lessen the mitigative effect or intent of the Element.

F. Operational Provisions

A Ground Lease exhibit contains operational provisions for the responsible handling of garbage, deliveries, noise and litter associated with the restaurant use.

G. Analysis

The Port and Redevelopment Agency have been actively working toward the implementation of Rincon Park and the Rincon Park Restaurant Site for the past eight years. The Port expects that the Project will help activate the adjacent Rincon Park, and provide another public amenity to facilitate public enjoyment of the waterfront. The Port has also looked upon the Restaurant Site as a revenue source, in recognition of the Port's willingness to lease the Park site to the Agency for $1 per year for 65 years. The Port expects to receive percentage rent on the order of $500,000 per year increasing to approximately $900,000 per year over the next 20 years, based upon income projections for the two restaurants.

The minimum rent and percentage rent terms for the Ground Lease are consistent with the Appraisal Report prepared for the Port by Clifford Associates in July 1998 and updated in June 2000. The Port will receive fair market value for the land for up to 40 years, during which the Developer will make and amortize the proposed building improvements. Thereafter, the Port will receive fair market value for the land and the improvements.

The design of the Restaurant Site is closely integrated with the overall design of Rincon Park. Therefore, the completion of the transaction with the Developer and the schematic design of the restaurant is critical to the timely completion of the final design for Rincon Park.

Finally, the approval of this transaction will enable both the Port and Redevelopment Agency to implement the goals of the Waterfront Plan and Redevelopment Plan and create an active, attractive waterfront amenity for residents and visitors to enjoy.

V. SCHEMATIC DESIGN

The Restaurant Site design proposed by Rincon Restaurants LLC separates the allocated building area into two individual restaurants joined by a central courtyard or "piazza" that interfaces with the park and waterfront promenade (see Attachment 2). In keeping with the Waterfront Plan, the restaurants and associated outdoor area are expected to generate activity in the area during the evenings and weekends to help enliven Rincon Park.

Each restaurant building occupies an approximately 6,000 square foot footprint and have partial upper levels of 2,800 and 2,200 interior square feet and 700 and 800 square feet of outdoor terraces, for the north and south buildings, respectively. Both restaurants contain dining, bar, kitchen, storage, restroom and outdoor dining areas.

The 8,000 square foot outdoor piazza is to be used for outdoor dining, special events and public access and circulation area. There is no onsite parking. The Project includes a dedicated drop-off and valet service zone on The Embarcadero, either at the curb or within an approximately 150 x 9 foot recessed truck/passenger loading bay adjacent to the restaurants.

A. Design Review Process

Rincon Point-South Beach Citizens Advisory Committee. On May 15, 2000, the Rincon Point-South Beach Citizens Advisory Committee ("CAC") voted 12 to 2 in favor of the schematic design. The Port and Developer will coordinate to finalize the design and agreed to present the final design drawings to the Committee. A number of comments and recommendations accompanied the Committee's endorsement, including: re-evaluate or remove the canopy between the two buildings (aka porte cochere); create some design connection between the two buildings; and, reduce second story massing where appropriate. Subsequent to the CAC's endorsement, the schematic design drawings have been modified to remove the canopy between the buildings entirely and a portion of the second story on the southerly restaurant building has been removed to further increase the volume of space between the two buildings. More detailed design issues will be addressed in the final design.

Waterfront Design Advisory Committee ("WDAC"). On April 26, 2000, the WDAC reviewed the Project design and noted that the large, open site will reduce the apparent size of the buildings and suggested that the architectural forms be strong and bold. The WDAC also suggested that the "keyhole" entry between the two buildings, formed in part by a canopy between the buildings, be more obvious, higher or pronounced, to strengthen the design relationship between the buildings.

Planning Department. The Planning Department participated in the design review process through its participation on the Waterfront Design Advisory Committee and received copies of the schematic design drawings in May 2000 for further review and comment.

BCDC's Design Review Board. The Design Review Board (DRB) held public hearings on the Park project (including the restaurants) on November 8, 1999, January 10, 2000, May 8, 2000 (focused primarily on the restaurants) and July 10, 2000. DRB and BCDC staff comments on the restaurant Project have focused on integrating the designs of the park and restaurant projects at key junctures between public and private spaces; physical and visual access to the Bay; and the design of public seating areas which will be operated by the restaurant tenant.

Subsequent Review. After the Port Commission approves the Schematic Design, the Executive Director will review and approve the final design as directed by the Port Commission. Port staff will seek further advice from the Waterfront Design Advisory Committee, as appropriate.

B. Analysis

Building height/massing. The Rincon Point-South Beach Redevelopment Plan prepared in 1980 included a restaurant site within Rincon Park with a height limitation of 40-feet. In 1995, the Redevelopment Agency issued a variance which moved the restaurant site from north of Folsom Street (part of Assessors Block 3742) to south of Folsom Street (part of Assessors Block 3743). The Port's Waterfront Plan (adopted in 1997) also depicts the restaurant site south of Folsom Street. In 1997 and 1998, the Planning

Commission and Board of Supervisors amended the San Francisco General Plan to achieve consistency with the Waterfront Plan. Revisions made to the Northeastern Waterfront Area Plan call for a change to the allowed height on the restaurant site (AB 3743) from 84-feet to 40-feet and that the rest of the Rincon Park site be changed to an open space height/bulk designation. Therefore, the height limit for the Restaurant Site is currently 84-feet which is intended to be changed to 40-feet pursuant to the General Plan. Based upon the foregoing, we conclude that the height of the restaurants is less than one-half of the intended height limit as expressed by the General Plan (19-feet versus 40-feet).

In the 1995 Agreement to Lease with the Redevelopment Agency for Rincon Park, the Port agreed to limit the restaurant building height to approximately 17-feet from the finished grade of the Park, including any roof-top utility penthouses. The Port's 1997 Design & Access Element of the Waterfront Plan reflected this provision of the Agreement to Lease and provides a Design Criteria that allows architectural embellishments to exceed the approximate 17-foot limit.

The design for Rincon Park, which was jointly approved by the Port and Redevelopment Agency Commission in February 2000, includes an undulating surface with a maximum height of approximately 7-feet above the nearby Embarcadero sidewalk. The average finished grade of the Park is approximately 2-feet above the sidewalk along The Embarcadero. Therefore, the restaurant buildings, which are about 19-feet in height, are approximately 17-feet above the average finished grade of the park, consistent with the Agreement to Lease.

The primary utility penthouse for each restaurant will be recessed into the roof structure so that it will not protrude above the roof-line. Pursuant to the Mechanical Code for commercial kitchens, approximately seven exhaust fans will have a vertical clearance of two-feet from the rooftop. Each restaurant will have an elevator to the second floor pursuant to the access requirements of the Building Code. For clearance purposes, the upper portion of the elevator housing needs to be about two-feet above the otherwise 19-foot roofline and will be incorporated into the architecture of the building. These mechanical features of the restaurants are consistent with Planning Code Section 260(b) requirements and are typical of other restaurants on Port property and throughout the City. The final design may utilize architectural embellishments to screen these protrusions.

Regarding the scale and massing of the architecture, the Port's Waterfront Design Advisory Committee (WDAC) noted that the large, open site will reduce the apparent size of the buildings and suggested that the architectural forms be strong and bold. The WDAC also suggested that the "keyhole" entry between the two buildings, formed in part by a canopy between the buildings, be higher or more pronounced, to strengthen the design relationship between the buildings. On the other hand, the Rincon Point-South Beach CAC suggested removal of the canopy and reduction in second story massing where possible. BCDC's DRB also suggested removal of the canopy. The Schematic Drawings strike a balance among these varying design suggestions. The canopy between the buildings has been removed (see Attachment 2d), a small portion of the second story of the south restaurant building nearest the "keyhole" has been removed (see Attachment

2c, 2d, 2e) but the general building massing is consistent with the previous design iteration. The final design will employ building materials and/or refine certain architectural features to create a stronger design relationship between the two buildings and help address the WDAC's comments and increase the overall sense of scale.

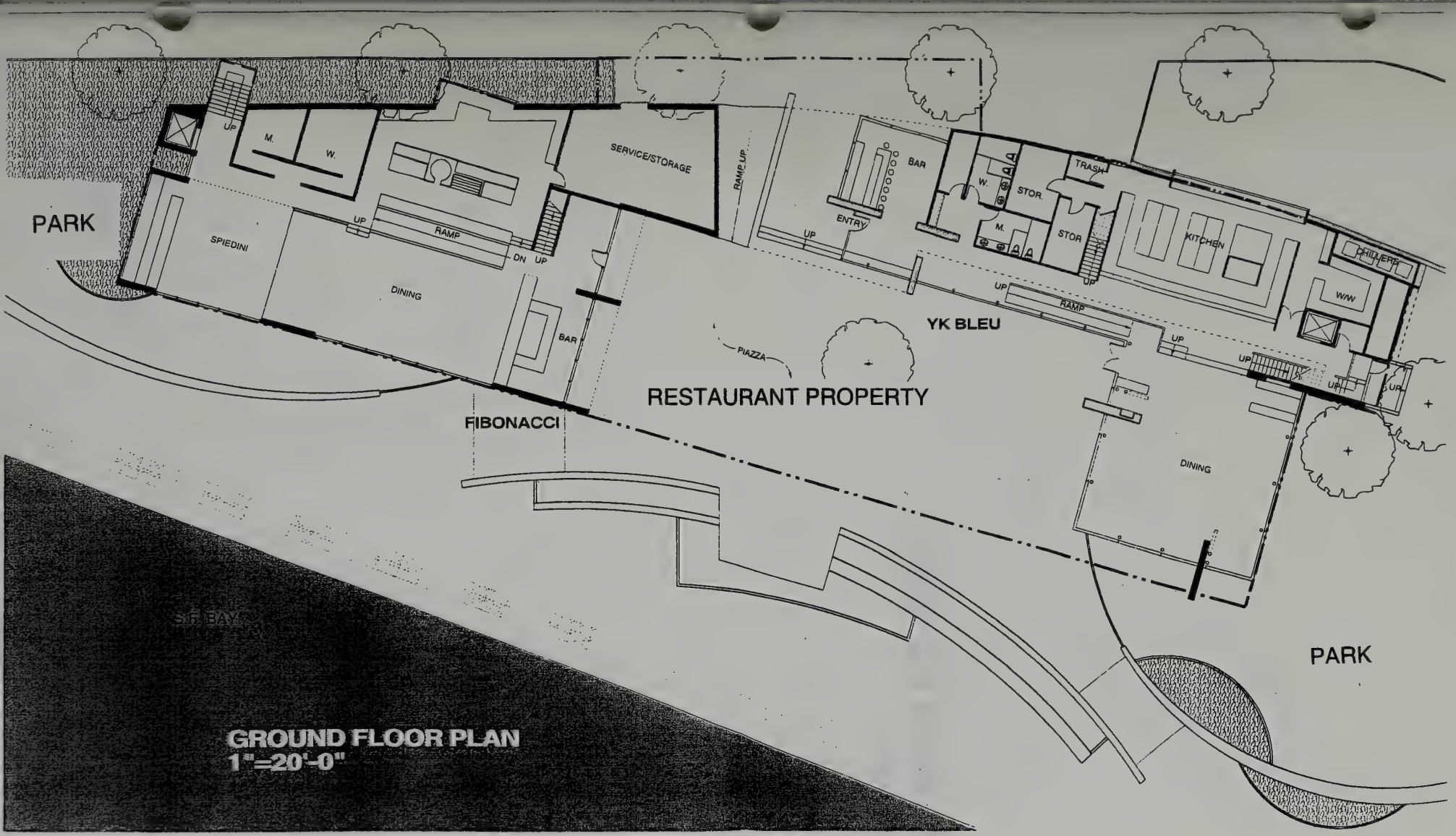
In sum, the design is also consistent with the Agreement to Lease and Waterfront Plan, which call for an approximate (not fixed) height limit and allow architectural embellishments above that height which may be used to screen any exhaust fans that clear the overall roofline. A reasonable interpretation of the approximate 17-foot height limit, which is not a regulatory limit but a mutually agreed upon limit by the Port and Redevelopment Agency, is especially important in light of the suggestions of the WDAC which called for greater massing to increase the presence of the buildings in the open space/open water context surrounding the site.

Off-street Parking and Loading. The Project does not include off-street parking or loading, which is consistent with the Redevelopment Plan provisions for restaurant uses in this area. The Redevelopment Plan does not require (but does limit the number of) off-street parking spaces for restaurants and does not require off-street loading for uses less than 100,001 square feet, other than for Retail Stores and Industry.

Interface between Restaurant and Park. The overall layout of the Restaurant Site allows for circulation and interaction between the open space areas of Rincon Park, the waterfront promenade and the outdoor area of the Restaurant Site, which should enliven and enhance the park and public access areas. Particular attention has been paid to the interface between the north and south restaurant buildings and the park areas during the design review process to avoid privatization of the lawn areas closest to the buildings and to encourage maximum public use of the lawn and seating areas. The resulting schematic design includes a narrow planting zone of shrubs and/or perennials between the buildings and the lawn areas to help define and buffer the public space. In addition, the lawn area adjacent to the north restaurant slopes away from the building and focuses views towards the Bay.

IV. RECOMMENDATION

Adopt Resolution 00-60 approving the Development Agreement with Rincon Restaurants, LLC, including the form of Ground Lease for development of the Rincon Restaurant Site, and related modifications to the Design & Access Element of the *Waterfront Land Use Plan*; and adopt Resolution 00-61 approving the Schematic Drawings for the Rincon Restaurant Site.



FIBONACCI YK BLEU

NICE VENTURES

JIM JENNINGS ARCHITECTURE
PFAU ARCHITECTURE

Attachment 1

Attachment 2

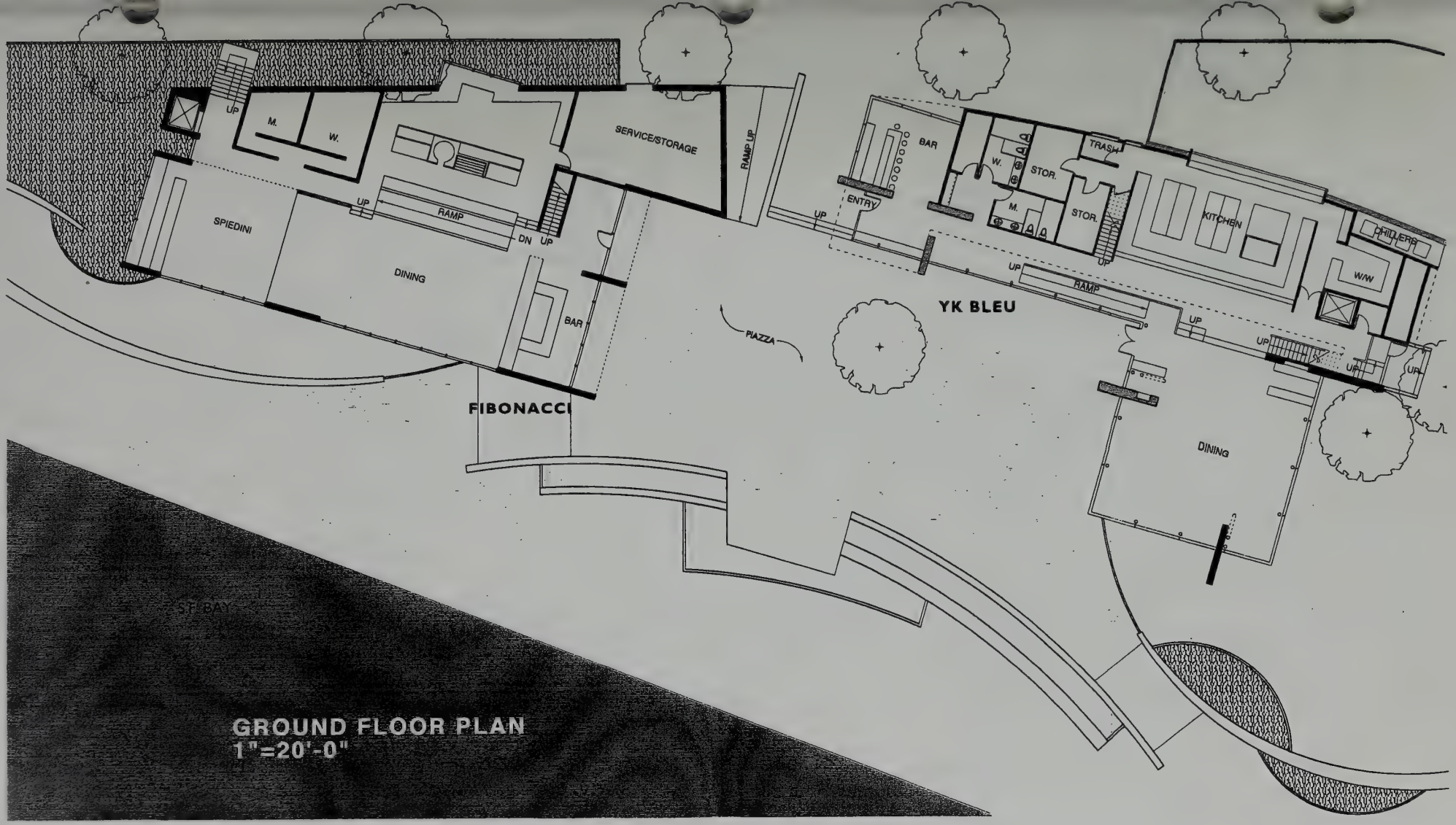
RINCON PARK RESTAURANTS

SAN FRANCISCO PORT COMMISSION
DESIGN REVIEW SUBMITTAL

Nice Ventures

Jim Jennings Architecture
Pfau Architecture

July11, 2000



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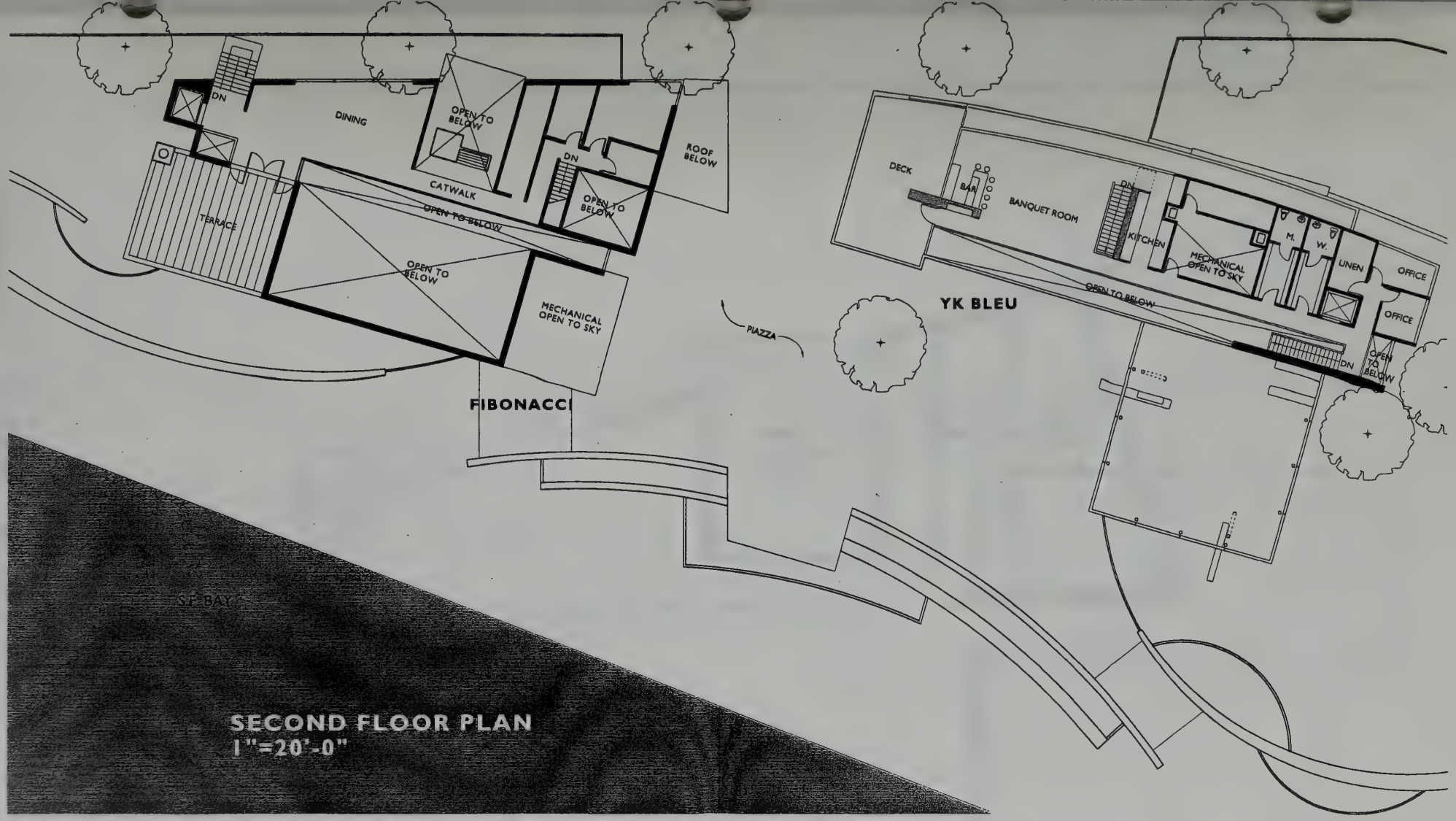
NICE VENTURES

JIM JENNINGS ARCHITECTURE
PFAU ARCHITECTURE



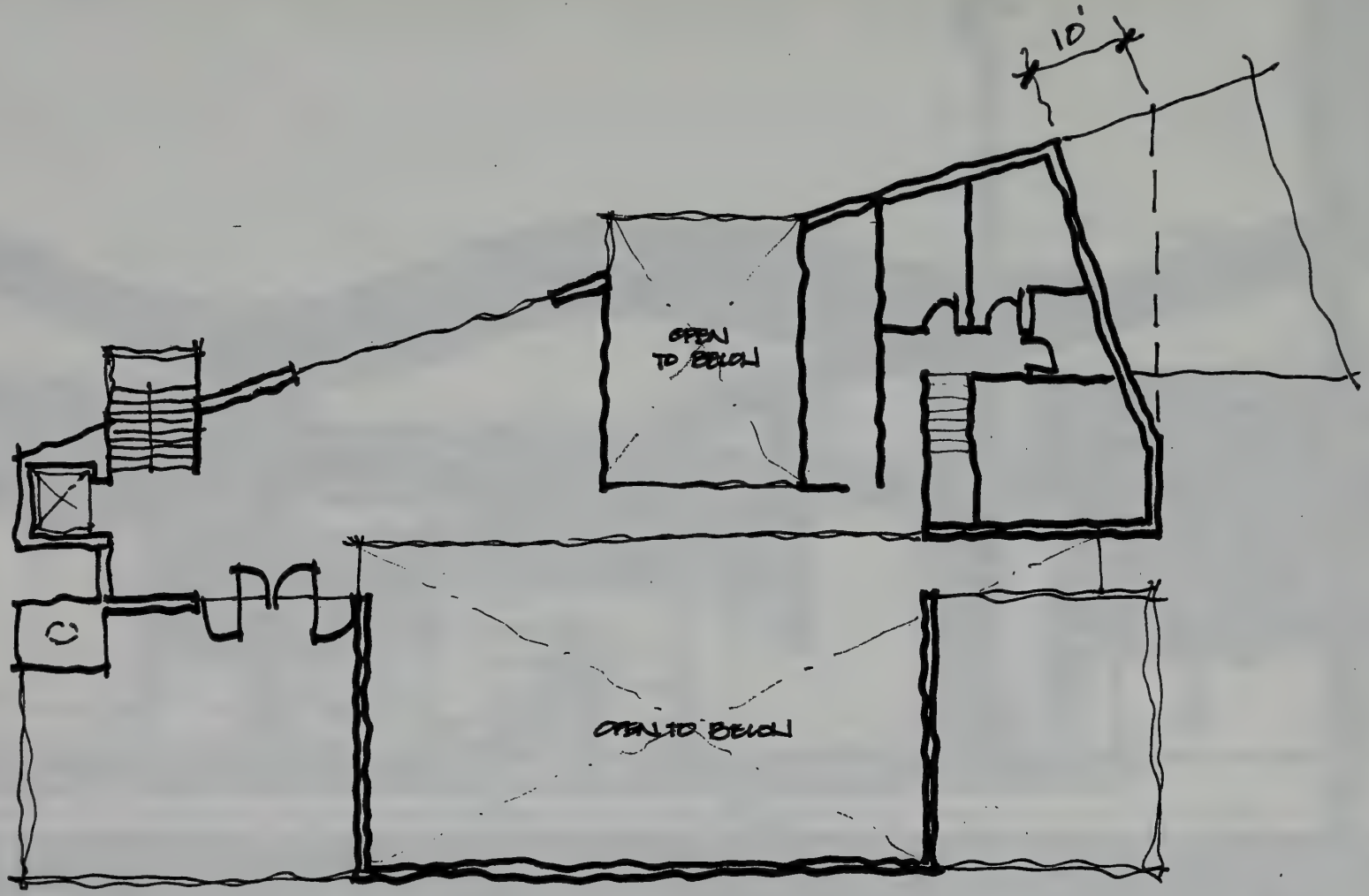
SECOND FLOOR PLAN
1"=20'-0"

FIBONACCI YK BLEU

NICE VENTURES

JIM JENNINGS ARCHITECTURE
PFAU ARCHITECTURE

SECOND FLOOR PLAN



SECOND FLOOR PLAN

2C

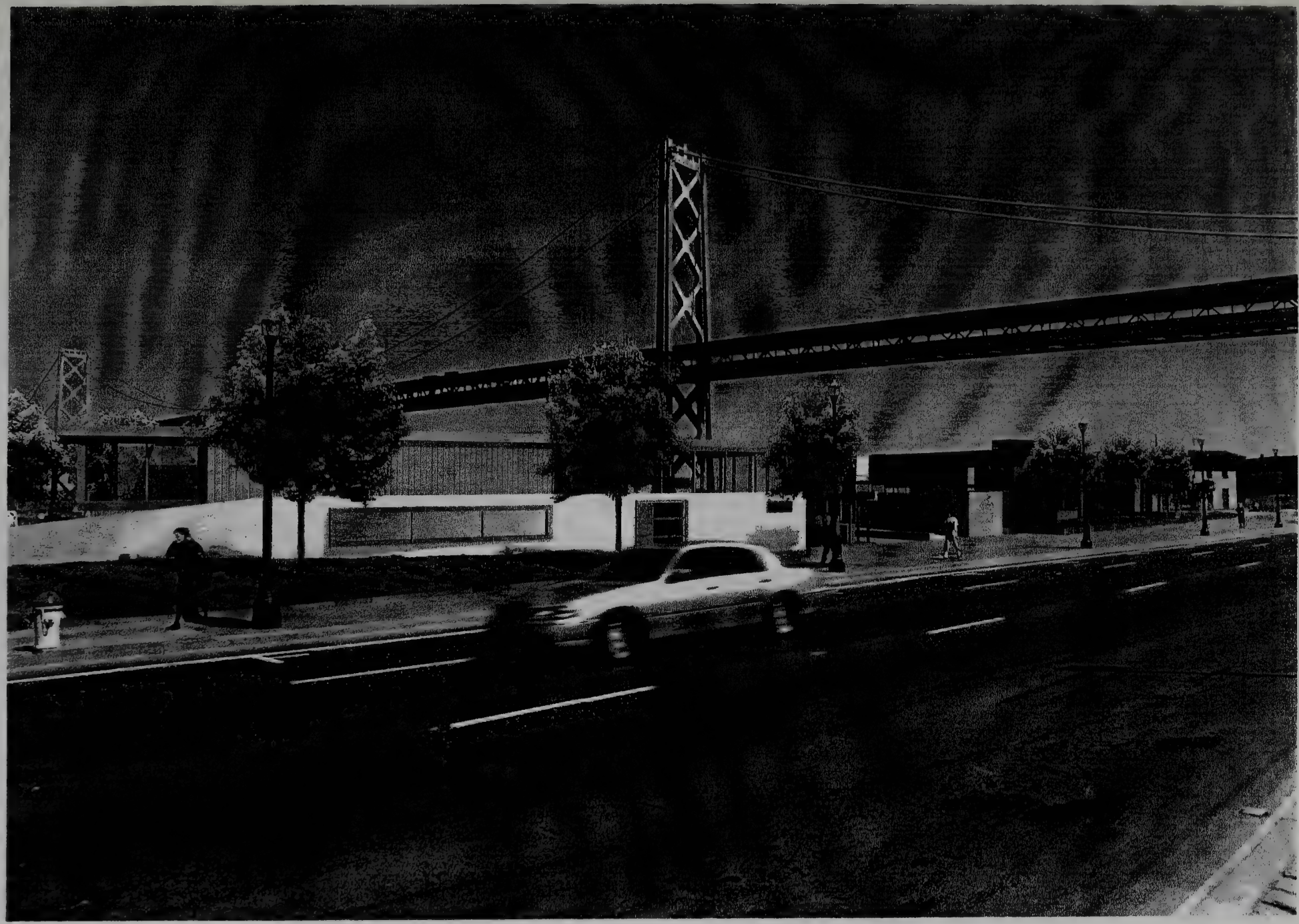
SECOND FLOOR PLAN	SCALE: NTS	REVISIONS:
RINCON PARK RESTAURANTS	DATE: 7.17.00	

NICE VENTURES
JIM JENNINGS ARCHITECTURE

NICE VENTURES
JIM JENNINGS ARCHITECTURE
BEAU ARCHITECTURE

R E S T A U R

NICE VENTURES
JIM JENNINGS ARCHITECTURE



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NICE VENTURES
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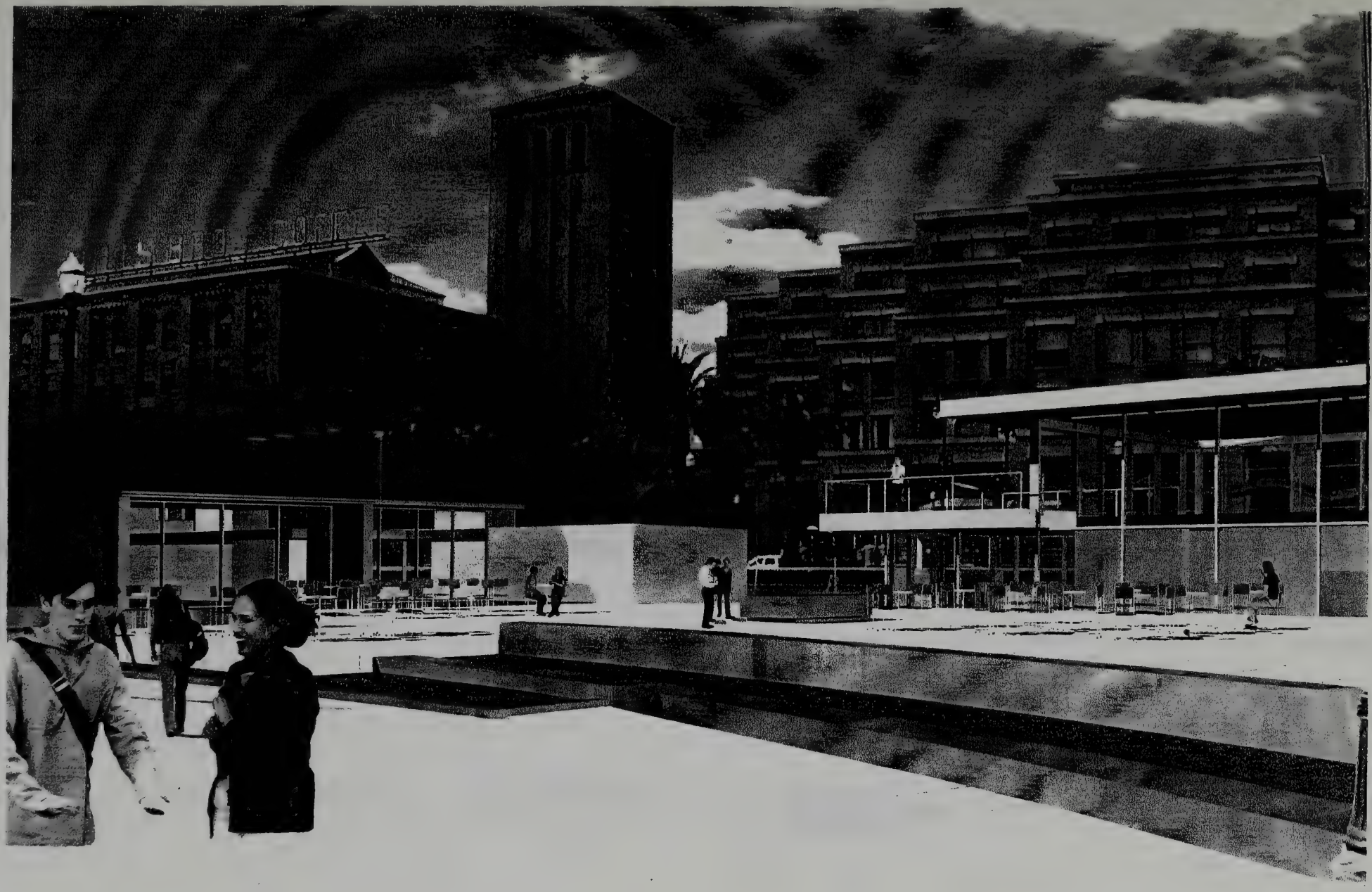

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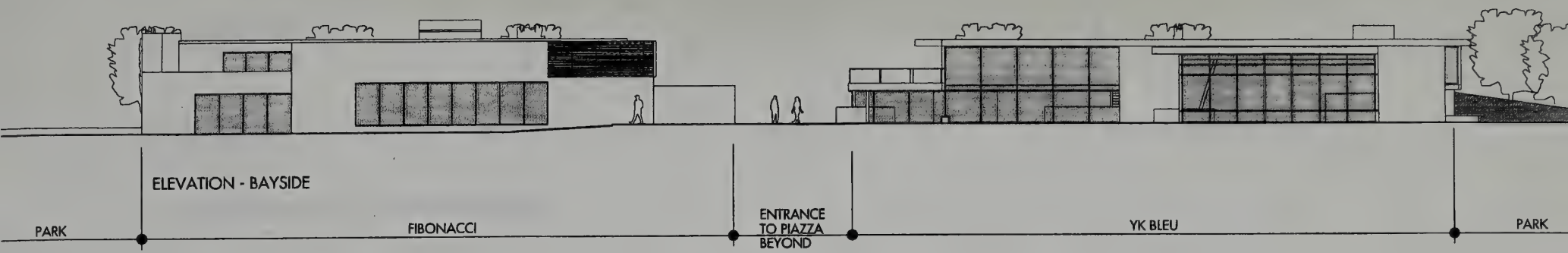

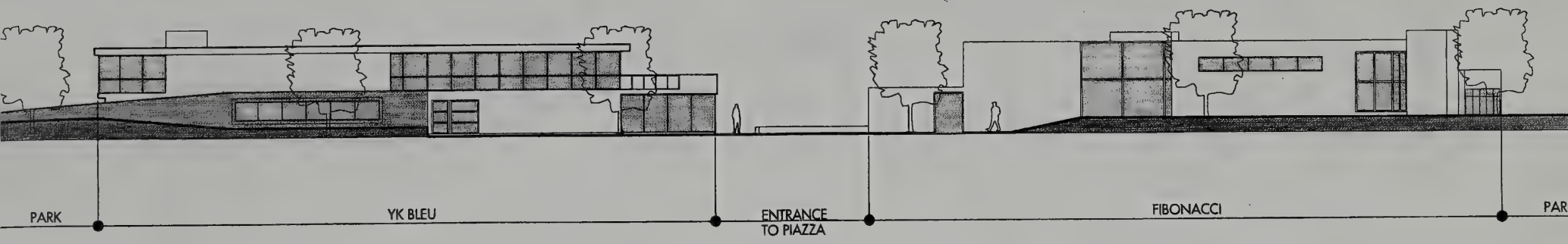

ELEVATION - THE EMBARCADERO

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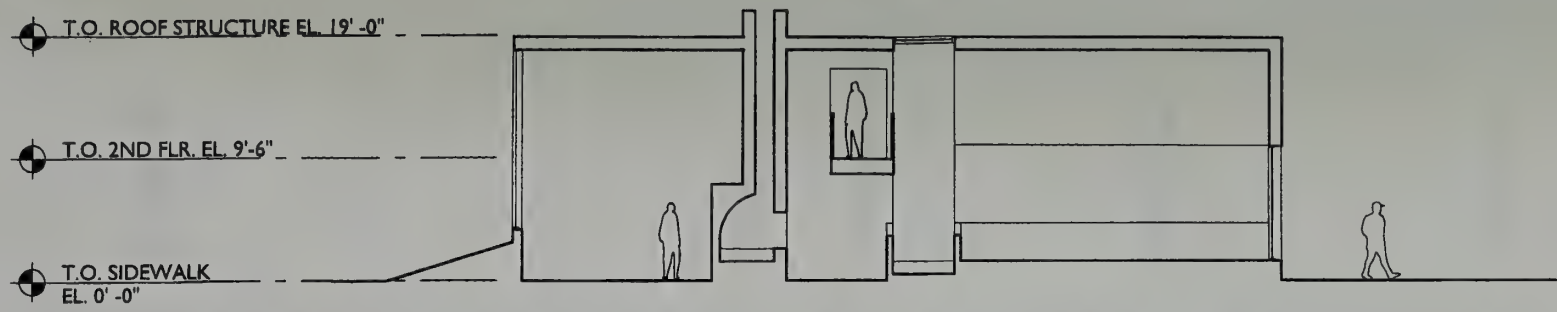
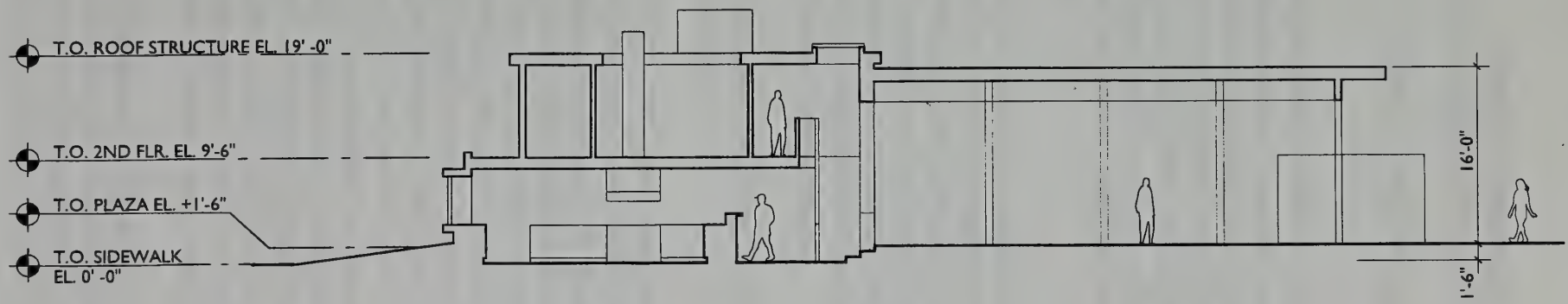
PFAU ARCHITECTURE



CROSS SECTION THRU KITCHEN/DINING - FIBONACCI



CROSS SECTION THRU KITCHEN/DINING - YK BLEU

FIBONACCI YK BLEU

NICE VENTURES

JIM JENNINGS ARCHITECTURE
PFAU ARCHITECTURE

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-60

WHEREAS, In 1981, the San Francisco Board of Supervisors and the San Francisco Redevelopment Agency ("Redevelopment Agency") adopted the Rincon Point-South Beach *Redevelopment Plan*, including the *Design for Development* (the "Redevelopment Plan") which designated a future park along The Embarcadero roughly between Harrison and Howard Streets ["Rincon Park" or "Park"] and earmarked 12,000 square feet of the Park north of Folsom Street for restaurant uses [the "Restaurant Site"]; and

WHEREAS, In January 1995, the Redevelopment Agency issued a variance (Resolution 7-95) which, among other things, relocated the Restaurant Site within the Park from north of Folsom Street to south of Folsom Street and expanded the Restaurant Site from 12,000 square feet to 20,000 square feet, limiting the building site area to 12,000 square feet and allowing the additional 8,000 square feet of Restaurant Site area as an outdoor terrace dining area; and

WHEREAS, The Port owns the property comprising Rincon Park, including the Restaurant Site; and

WHEREAS, In June 1995, the Port Commission entered into an Agreement to Lease ("Agreement to Lease") with the Redevelopment Agency in which the Redevelopment Agency agreed to lease and operate Rincon Park as a public park, and the parties agreed that: (1) no more than 12,000 square feet of the Restaurant Site would be used for the restaurant building; (2) the restaurant type would be "first-class"; (3) the restaurant height would not exceed "approximately seventeen (17) feet from the finished grade of the Park, including any rooftop utility penthouses"; (4) the remaining 8,000 square feet of restaurant site area may be used for purposes consistent with and ancillary to restaurant related uses (i.e. tables, chairs, benches); (5) parking and driveway access may also be provided within the site; and (6) the Redevelopment Agency delegated to the Port complete control over the design of the restaurant, provided that the design conformed to the guidelines set forth in the *Redevelopment Plan*, as modified by Redevelopment Agency Resolution 7-95; and

WHEREAS. The Port's *Waterfront Land Use Plan* including the Design & Access Element of the Plan (the Waterfront Plan), adopted by the Port Commission in 1997 envisions the development of Rincon Park and the Restaurant Site at a location south of Folsom Street; and

WHEREAS, On July 23, 1998, the Port issued a Request for Proposals ("RFP") for the Restaurant Development Opportunity at Rincon Park; and

WHEREAS, The Port Commission on March 9, 1999 approved an Exclusive Right to Negotiate Agreement with Nice Ventures, Inc., by Resolution 99-10; and

WHEREAS, The Exclusive Right to Negotiate Agreement provides that during the Exclusive Negotiation Period, Port staff and Nice Ventures, Inc. are to negotiate agreements which include the economic parameters, development standards and requirements for the Project, and a performance schedule, and also provides that the agreements would be subject to Port Commission approval and could not be considered by the Port Commission until environmental review under the California Environmental Quality Act (CEQA) is completed; and

WHEREAS, During the Exclusive Negotiation Period, Rincon Park Restaurants, LLC, a California limited liability company, was formed, with Nice Ventures, Inc., as managing member, to pursue development of the Restaurant Site (the "Project"); and

WHEREAS, On February 29, 2000, the Port Commission and the Redevelopment Agency jointly approved the design and layout of Rincon Park which depicted a park partially surrounding the Restaurant Site at a location south of Folsom Street; and

WHEREAS, Port staff and Rincon Park Restaurants, LLC (the Developer) have negotiated the terms of a Development Agreement along with exhibits including a form of Ground Lease for the Restaurant Site (the Development Agreement) which memorializes the agreement between the Port and the Developer for the Developer to lease the Restaurant Site from the Port at fair market value upon the satisfaction of certain conditions precedent, and further describes the terms and conditions governing the Developer's obligations to construct and operate the Restaurant Site; and

WHEREAS, The Port Commissioners have each received and reviewed a Memorandum dated July 20, 2000 from Port Staff describing the proposed Restaurants Project including the Development Agreement, the Ground Lease and the design of the Restaurants ("Staff Report"); and

WHEREAS, A copy of the Development Agreement, including the Ground Lease, is on file with the Commission Secretary; and

WHEREAS, The Port and the Developer wish to enter into the Development Agreement; and

WHEREAS, The design and scope of the Project, which is reflected in the Scope of Development (an attachment to the Development Agreement) and Schematic Drawings for the Project have been refined; and

WHEREAS, Modifications are proposed to the "Rincon Park and Promenade Design Criteria" in the Waterfront Plan's Design and Access Element to reflect the Scope of Development for the Project, as described in Attachment A and as follows: (1) Change singular "building" and "restaurant" references to the plural given that two smaller restaurants are proposed within the allowed 12,000 square foot building footprint, rather than one single 12,000 square foot restaurant; (2) Add note that the origin of the referenced "17-feet" in the "Height" criteria is from the Port/Agency Agreement to Lease which provided that restaurant-building height is to be measured from the "finished grade of the Park"; and (3) Modify the "Service" criterion to permit an on-street loading zone or a realigned curb that would provide a recessed truck/passenger loading bay rather than service entry at the south end of the building; and

WHEREAS, Clarifications are proposed to the introductory discussion to the "Rincon Park and Promenade Design Criteria" in the Waterfront Plan's Design and Access Element to reflect the Scope of Development for the Project as described in Attachment A and as follows: (1) Change the diagrammatic map to reflect the precise location of the "Future Restaurant" site, which is partially surrounded by "Future Rincon Park" as already approved by the Port Commission and the Redevelopment Agency on February 29, 2000; and (2) Rincon Park would include two (2) two-story restaurants, the combined total building footprint of which would not exceed 12,000 square feet in the southern portion of the Park. (The current description is "...a one-story, 12,000 square foot restaurant in the southern portion of the park."); and

WHEREAS, on November 5, 1980, the San Francisco Planning Commission reviewed and considered the Rincon Point-South Beach Redevelopment Plan Final Environmental Impact Report 80.267 ("FEIR") and by Resolution No. 8760 found the FEIR to be adequate, accurate and objective, and certified the completion of the FEIR in compliance with CEQA, the CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code; and

WHEREAS, On January 5, 1981, the Board of Supervisors adopted Ordinance No. 14-81 in which it reviewed and considered the FEIR and adopted certain findings in connection with the approval of the Redevelopment Plan, which findings are on file with the Port Commission Secretary, which findings are incorporated herein by this reference as though fully set forth in this resolution; and

WHEREAS, On August 22, 1991, the Planning Commission reviewed and considered the supplement to the FEIR entitled Rincon Point-South Beach Redevelopment Plan Supplemental Environmental Impact Report 90-088E ("SEIR") and found by Motion No. 13158 that the SEIR was adequate, accurate, and objective, and certified the completion of the FEIR in compliance with CEQA, the CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code; and

WHEREAS, On November 12, 1991, the Board of Supervisors adopted Resolution Nos. 1002-91 and 1003-91 in which it reviewed and considered the SEIR and adopted certain findings in connection with certain amendments to the Redevelopment Plan, which findings are on file with the Port Commission Secretary, which findings are incorporated herein by this reference as though fully set forth in this resolution; and

WHEREAS, On June 24, 1997, the Port Commission adopted Resolution No. 97-50, in which it reviewed and considered the Waterfront Land Use Plan Final Environmental Impact Report ("WLUP FEIR") and adopted certain findings in connection with the approval of the Waterfront Land Use Plan, which findings are on file with the Port Commission Secretary, which findings are incorporated herein by this reference as though fully set forth in this resolution; and

WHEREAS, The Project was adequately described within the scope of the FEIR, the SEIR and the WLUP FEIR (collectively, the "Prior EIRS"), each of which considered the potential environmental impacts of plans which include the Project; and

WHEREAS, The San Francisco Planning Department has prepared, and the Port Commissioners have each received and reviewed, a Memorandum to City Planning File No. 90.088E dated June 23, 2000 which is analogous to an Addendum, as described in CEQA Guidelines Section 15164 (the Memorandum), that analyzed the potential impacts arising from the Project; and

WHEREAS, The Planning Department has determined in the Memorandum that the proposed Project is within the scope of the restaurant project contemplated by the Prior EIRs, that no new or more severe significant impacts would result from the Project, no important changes in circumstances involving potential significant impacts have occurred since the Prior EIRs were certified, and no new information has come to light that would involve the potential for new or more severe significant impacts not discussed in the Prior EIRs; and

WHEREAS, Section 3 of the Burton Act authorizes the Port Commission to enter into leases with terms not exceeding 66 years provided that the revenues from such leases shall be used for purposes consistent with the trust; and

WHEREAS, The Ground Lease is for a term not exceeding 66 years; and

WHEREAS, The approval of the Development Agreement and Ground Lease for the Restaurant Site will allow for the timely coordination between the design and construction drawings for the Restaurant and Park Sites; and

WHEREAS, The approval of the Development Agreement and Ground Lease for the Restaurant Site will enable the Port and Redevelopment Agency to implement the goals of the Waterfront Plan and Redevelopment Plan for this area; and

WHEREAS, the Port Commission has reviewed and considered (1) the Prior EIRs: (2) the Memorandum to City Planning File No. 90.088E dated June 23, 2000; and (3) the Memorandum to Port Commissioners prepared for the July 20, 2000 Port Commission meeting for Agenda Item 8A, copies of which are on file with the Port Commission Secretary; now therefore, be it

RESOLVED, That based upon the Port Commission's review of the Prior EIR's and the Memorandum, the Port Commission hereby finds that: (1) modifications incorporated into the Project will not require important revisions to the Prior EIR's due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) no substantial changes have occurred with respect to the circumstances under which the Project is undertaken which would require major revisions to the Prior EIR's due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the Prior EIR's; and (3) no new information of substantial importance to the Project has become available which would indicate : (a) the Project will have significant effects not discussed in the Prior EIR's; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the Prior EIR's would substantially reduce one or more significant effects on the environment; and be it further

RESOLVED, That the Port Commission hereby adopts the mitigation monitoring program prepared for the Project, and attached hereto as Attachment B; and be it further

RESOLVED, that the Port Commission finds that the Development Agreement and Ground Lease are consistent with the Burton Act and is not prohibited by State law or the Charter; and be it further

RESOLVED, that the Port Commission approves the modifications and clarifications to the Waterfront Plan's Design and Access Element described above and more particularly in Attachment A hereto and in the Staff Report; and be it further

RESOLVED, that the Development Agreement and Ground Lease are found to be consistent with: (1) the Redevelopment Plan; (2) the Agreement to Lease; and (3) the Waterfront Plan; and be it further

RESOLVED, that the Port Commission approves the form and substance of the Development Agreement and Ground Lease, and the transactions which the Development Agreement and Ground Lease contemplate; and be it further

RESOLVED, that the Port Commission recommends approval of the Development Agreement and form of the Ground Lease by the Board of Supervisors and authorizes and directs the Executive Director to cause a copy of this Resolution to be delivered to the Clerk of the Board of Supervisors; and be it further

RESOLVED, that the Port Commission authorizes and directs the Executive Director of the Port (the "Executive Director"), after approval by the Board of Supervisors, to execute the Development Agreement and upon satisfaction or waiver of the conditions precedent, the Ground Lease in substantially the form of such agreements on file with the Commission Secretary; and be it further

RESOLVED, that the Executive Director shall determine satisfaction of the conditions precedent under the Development Agreement to the conveyance of the leasehold estate in the Restaurant Site, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of the Ground Lease; and be if further

RESOLVED, that the Port Commission authorizes the Executive Director to enter into any additions, amendments or other modifications to the Development Agreement, or Ground Lease (including, without limitation, preparation and attachment of, or changes to, any or all of the exhibits) that the Executive Director, in consultation with the City Attorney, determines are in the best interests of the City, do not materially increase the obligations or liabilities of the City, and are necessary or advisable to complete the transactions which the Development Agreement and Ground Lease contemplate and effectuate the purpose and intent of this resolution, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of the Development and Ground Lease and any such amendments thereto; and, be it further

RESOLVED, that the Port Commission authorizes and urges the Executive Director and any other appropriate officers, agents or employees of the City to take any and all steps (including, but not limited to, the execution and delivery of any and all certificates, agreements, notices, consents, escrow instructions, closing documents and other instruments or documents) as they or any of them deems necessary or appropriate, in consultation with the City Attorney, in order to consummate the transactions under the Development Agreement, in accordance with this resolution, or to otherwise effectuate the purpose and intent of this resolution, such determination to be conclusively evidenced by the execution and delivery by any such person or persons of any such documents; and be it further

RESOLVED, that the Port Commission approves, confirms and ratifies all prior actions taken by the officials, employees and agents of the Port with respect to the Development Agreement and Ground Lease.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of July 25,2000.

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Secretary

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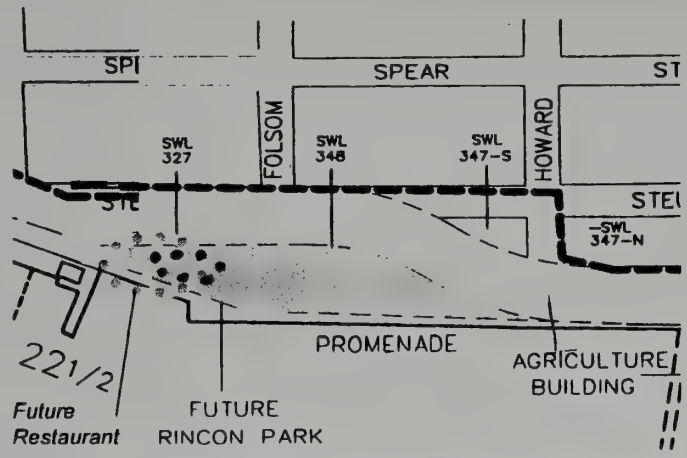
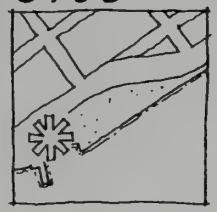
Design Criteria

RINCON PARK AND PROMENADE

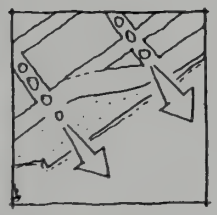


Rincon Park, a planned 2.70 acre landscaped open space, and the 1800 foot long pedestrian promenade south of the Agriculture Building, will provide expansive views of the Bay, Bay Bridge and City skyline. Rincon Park will include (2) two-story ~~one-story~~ ~~12,000 sq. ft.~~ restaurant, the combined total building footprint of which would not exceed 12,000 square feet in the southern portion of the park. The new restaurant should define the architectural character and anchor the southern end of the park.

Site



SITE COVERAGE: To maximize views of the Bay, locate the restaurant south of the Folsom Street view corridor.

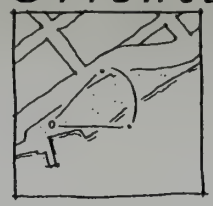


SITE COVERAGE -- Street Corridors: Preserve Bay views by keeping the Folsom and Howard Street view corridors free of floor-area structures.

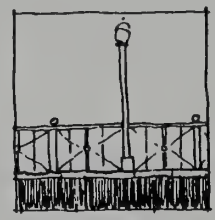
HEIGHT: Allow architectural embellishments on the restaurant building to exceed the 17' height limit.*

* Note: The referenced "17'" is derived from the Port/Redevelopment Agency Agreement to Lease which provided that height is measured from the "finished grade of the Park".

Orientation



ORIENTATION -- Restaurant: Orient views from the restaurant north toward the Park and the Bay. Allow guest boat docking adjacent to the restaurant.



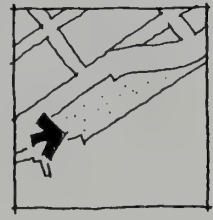
EDGE -- Promenade: To visually emphasize the length of the waterfront edge, include a regularly spaced series of architectural treatments, e.g. railing posts, light fixtures, or other street or park furnishings.

Architectural Details

CHARACTER -- Rincon Park: Minimize landscaping and structures (other than the restaurant) that would block views of the waterfront from The Embarcadero.

CHARACTER -- Restaurant: The restaurant building should be architecturally unique, provide a strong identity for the Park, and complement the Pier 22½ Fireboat Station.

Service



SERVICE -- Restaurant: Provide service entry ~~at the south end of the building~~. Use fences or other lockable enclosures to screen trash facilities from public view. from an on-street loading zone or a recessed on-street loading bay.

Attachment B

Mitigation Monitoring Program

(To Follow)

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-61

WHEREAS, In 1981, the San Francisco Board of Supervisors and the Redevelopment Agency adopted the Rincon Point-South Beach *Redevelopment Plan*, including the *Design for Development* (the Redevelopment Plan) which designated a future park along The Embarcadero roughly between Harrison and Howard Streets ["Rincon Park" or "Park"] and earmarked 12,000 square feet of the Park north of Folsom Street for restaurant uses [the "Restaurant Site"]; and

WHEREAS, In January 1995, the Redevelopment Agency issued a variance (Resolution 7-95) which, among other things, relocated the Restaurant Site within the Park from north of Folsom Street to south of Folsom Street and expanded the Restaurant Site from 12,000 square feet to 20,000 square feet, limiting the building site area to 12,000 square feet and allowing the additional 8,000 square feet of Restaurant Site area as an outdoor terrace dining area; and

WHEREAS, The Port owns the property comprising Rincon Park, including the Restaurant Site; and

WHEREAS, In June 1995, the Port Commission entered into an Agreement to Lease ("Agreement to Lease") with the Redevelopment Agency in which the Redevelopment Agency agreed to lease and operate Rincon Park as a public park, and the parties agreed that: (1) no more than 12,000 square feet of the Restaurant Site would be used for the restaurant building; (2) the restaurant type would be "first-class"; and (3) the restaurant height would not exceed "approximately seventeen (17) feet from the finished grade of the Park, including any rooftop utility penthouses"; (4) the remaining 8,000 square feet of restaurant site area may be used for purposes consistent with and ancillary to restaurant related uses (i.e. tables, chairs, benches); (5) parking and driveway access may also be provided within the site; and (6) the Redevelopment Agency delegated to the Port complete control over the design of the restaurant, provided that the design conformed to the guidelines set forth in the *Redevelopment Plan*, as modified by Redevelopment Agency Resolution 7-95; and

WHEREAS. The Port's *Waterfront Land Use Plan* including the Design & Access Element of the Plan (the Waterfront Plan), adopted by the Port Commission in 1997 envisions the development of Rincon Park and the Restaurant Site at a location south of Folsom Street; and

WHEREAS, The *Redevelopment Plan's Design for Development* originally provided for a 40-foot height limit for the Restaurant north of Folsom Street; and

WHEREASE, Amendments to the San Francisco General Plan made in 1997 and 1998 in association with and in furtherance of the Waterfront Plan reflect the Redevelopment Agency's 1995 relocation of the Restaurant Site to be south of Folsom Street and recommend that the height/bulk designation for the Restaurant Site in such southerly location be changed from 84-feet to 40-feet; and

WHEREAS, On July 23, 1998, the Port issued a Request for Proposal ("RFP") for the Restaurant Development Opportunity at Rincon Park, and

WHEREAS, The Port Commission on March 9, 1999 approved an Exclusive Right to Negotiate Agreement with Nice Ventures, Inc. by Resolution 99-10; and

WHEREAS, The Exclusive Right to Negotiate Agreement provides that during the Exclusive Negotiation Period, Port staff and Nice Ventures are to negotiate Agreements which include the economic parameters, development standards and requirements for the Project, and a performance schedule. It also provides that the Agreements would be subject to Port Commission approval and could not be considered by the Port Commission until environmental review under the California Environmental Quality Act (CEQA) is completed; and

WHEREAS, During the Exclusive Negotiation Period, Rincon Park Restaurants, LLC, a California limited liability company, was formed, with Nice Ventures, Inc., as managing member, to pursue the Project; and

WHEREAS, The Port Commissioners have each received and reviewed a Memorandum dated July 20, 2000 from Port Staff describing the proposed Restaurants Project including the Development Agreement, the Ground Lease and the design of the Restaurants ("Staff Report"); and

WHEREAS, On July 11, 2000 by Resolution 00-60, the Port Commission approved: (1) terms of a Development Agreement along with exhibits including a Scope of Development and Basic Concept Design; and (2) modifications and clarifications to the Design and Access Element criteria for the Rincon Park and Promenade design subarea; and

WHEREAS, A copy of the Development Agreement is on file with the Commission Secretary; and

WHEREAS, The Developer has prepared Schematic Design drawings for the Project which have been reviewed by the staffs of the Redevelopment Agency and Planning Department, the Rincon Point-South Beach Citizens

Advisory Committee, the Port's Waterfront Design Advisory Committee and BCDC's Design Review Board; and

WHEREAS, The Rincon Park Project is scheduled to begin construction in the Fall of 2000, therefore time is of the essence for the Port and Redevelopment Agency to coordinate the detailed construction drawings and construction phasing between the Rincon Park Project and Restaurant Project; and

WHEREAS, The approval of the Schematic Design for the Restaurant Site will enable the Port and Redevelopment Agency to implement the goals of the Waterfront Plan and Redevelopment Plan for this area; and

WHEREAS, The Port and the Developer wish to approve the Schematic Design drawings for the Restaurant Site; and

WHEREAS, on November 5, 1980, the San Francisco Planning Commission reviewed and considered the Rincon Point-South Beach Redevelopment Plan Final Environmental Impact Report 80.267 ("FEIR") and by Resolution No. 8760 found the FEIR to be adequate, accurate and objective, and certified the completion of the FEIR in compliance with CEQA, the CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code; and

WHEREAS, On January 5, 1981, the Board of Supervisors adopted Ordinance No. 14-81 in which it reviewed and considered the FEIR and adopted certain findings in connection with the approval of the Redevelopment Plan, which findings are on file with the Port Commission Secretary, which findings are incorporated herein by this reference as though fully set forth in this resolution; and

WHEREAS, On August 22, 1991, the Planning Commission reviewed and considered the supplement to the FEIR entitled Rincon Point-South Beach Redevelopment Plan Supplemental Environmental Impact Report 90-088E ("SEIR") and found by Motion No. 13158 that the SEIR was adequate, accurate, and objective, and certified the completion of the FEIR in compliance with CEQA, the CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code; and

WHEREAS, On November 12, 1991, the Board of Supervisors adopted Resolution Nos. 1002-91 and 1003-91 in which it reviewed and considered the SEIR and adopted certain findings in connection with certain amendments to the Redevelopment Plan, which findings are on file with the Port Commission Secretary, which findings are incorporated herein by this reference as though fully set forth in this resolution; and

WHEREAS, On June 24, 1997, the Port Commission adopted Resolution No. 97-50, in which it reviewed and considered the Waterfront Land Use Plan Final Environmental Impact Report ("WLUP FEIR") and adopted certain findings in connection with the approval of the Waterfront Land Use Plan, which findings are on file with the Port Commission Secretary, which findings are incorporated herein by this reference as though fully set forth in this resolution; and

WHEREAS, The Project was adequately described within the scope of the FEIR, the SEIR and the WLUP FEIR (collectively, the "Prior EIRS"), each of which considered the potential environmental impacts of plans which include the Project; and

WHEREAS, The San Francisco Planning Department has prepared, and the Port Commissioners have each received and reviewed, a Memorandum to City Planning File No. 90.088E dated June 23, 2000 which is analogous to an Addendum, as described in CEQA Guidelines Section 15164 (the Memorandum), that analyzed the potential impacts arising from the Project; and

WHEREAS, The Planning Department has determined in the Memorandum that the proposed Project is within the scope of the restaurant project contemplated by the Prior EIRs, that no new or more severe significant no new or more severe significant impacts would result from the Project, no important changes in circumstances involving potential significant impacts have occurred since the Prior EIRs were certified, and no new information has come to light that would involve the potential for new or more severe significant impacts not discussed in the Prior EIRs; and now therefore, be it

RESOLVED, That based upon the Port Commission's review of the Prior EIRs and the Memorandum, the Port Commission hereby finds that: (1) modifications incorporated into the Project will not require important revisions to the Prior EIRs due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) no substantial changes have occurred with respect to the circumstances under which the Project is undertaken which would require major revisions to the Prior EIRs due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the Prior EIRs; and (3) no new information of substantial importance to the Project has become available which would indicate : (a) the Project will have significant effects not discussed in the Prior EIRs; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the Prior EIRs would substantially

reduce one or more significant effects on the environment; and be it further

RESOLVED, That the Schematic Design is found to be consistent with: (1) the Redevelopment Plan; (2) the Agreement to Lease; (3) the Waterfront Plan; and (4) the Development Agreement; and be it further

RESOLVED, That the Port Commission hereby approves the Schematic Design of the Restaurant Project as described, in part, by Attachment 2 of the July 20, 2000 Memorandum from Port staff and subject to the Conditions described in Attachment A to this resolution; and be it further

RESOLVED, That the Port Commission authorizes and directs the Executive Director of the Port (the "Executive Director"), to review and approve the final design and construction drawings as described in the Development Agreement with Rincon Park Restaurants LLC.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of July 25,2000.

_____

Secretary

Attachment A

Rincon Park Restaurants – Schematic Design
Conditions of Approval

Notwithstanding the Schematic Drawings, the following architectural components of the Restaurants Project shall be submitted to the Port for review and approval by the Executive Director to complete the final design and prior to submittal of Preliminary Construction Drawings for any of the affected design elements described below.

1. **Materials**. The project sponsors shall submit material proposals, samples and colors for all finishes on buildings and public areas. The final design will consider the use of materials to develop a stronger relationship between the two buildings.

2. **Architectural Details**. Submit further design details to the Port, including materials described above, that establishes a unique identity and architectural character for the restaurant buildings.

3. **Entry between Buildings**. Design the portal between the two buildings to provide a recognizable public entry to the restaurants and the public park areas beyond the restaurant leasehold.

4. **Outdoor Seating Area**. Submit a design for the outdoor seating areas that provides comfortable, inviting seating for restaurant patrons and non-restaurant patrons within the piazza and the adjacent Park area.

5. **Signage**. The Developer shall submit a complete signage package consistent with the *Port of San Francisco Guidelines for Review and Approval of Signs and Murals.*

6. **Restrooms**. If a public restroom is proposed to be included within the Restaurant Site, the Developer shall submit revised ground floor and public circulation plans.

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Special

SAN FRANCISCO PORT COMMISSION

JULY 25, 2000 MINUTES OF THE SPECIAL MEETING

DOCUMENTS DEPT.

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DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
4:30 P.M., TUESDAY, JULY 25, 2000

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 5:45 p.m. The following Commissioners were present: Kimberly Brandon, Brian McWilliams, Denise McCarthy and Pius Lee. Commissioner Hardeman was not present.

2. APPROVAL OF MINUTES - July 11, 2000 Regular Meeting

ACTION: Commissioner McWilliams moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor. The minutes of the July 11, 2000 meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report

Mr. Peter Dailey, Maritime Director, filling in for the Executive Director who is on vacation this week, indicated that last Saturday, the contractor has installed the second float at China Basin. The Port is currently in the midst of doing more pile driving and electrical hook-up. By the August 3rd game, the new ferry terminal will be completed and we will be operating two floats from here to the World Series. He thanked Alex Lee and the maintenance crew for their efforts.

Mr. Dailey indicated that at the fiscal year ending June 30, 2000, the Port recorded the highest volume at Pier 80 since it opened in January 1998, a total of 4000 container units. The total container TEU volume increased 56% from 28,000 from the prior year to close to 45,000 this past year. It represents a 159% increase over the volume in FY 97/98. The vessel traffic at Pier 80 increased from 127 vessels in 98/99 to 154 vessels this past fiscal year. He thanked Port staff and marine terminals for their fine work.

4. CONSENT CALENDAR

A. Approval of month-to-month lease with Operation USA/Hope at Pier 96. (Resolution No. 00-63)

ACTION: Commissioner McCarthy moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor. Resolution No. 00-63 was approved.

5. MARITIME

A. Approval of Marine Terminal and Use Agreement with British Pacific Aggregates, Ltd. for use of Pier 94. (Resolution No. 00-54) NOTE: "This action is within the scope of the Waterfront Land Use Plan Program EIR, certified on January 9, 1997, which EIR adequately described the project."

Peter Dailey, Maritime Director, presented the item and requested Commission's approval.

Commissioner Brandon was glad to hear that Port staff worked with the Southern Waterfront Advisory Committee and SAEJ to establish an economic incentive for reduction of diesel emissions. The Port is setting a strong precedence that it cares about the environment and the community. She asked staff to provide the Commission a quarterly report showing the activities at the site and making sure that everybody is in compliance. She also asked for mitigating measures for local trucking.

Karen Pierce, Southern Waterfront Advisory Committee Chair, commended staff for incorporating the suggestions made at their last meeting. She apprised the Commission of an issue that was raised by a committee member. They are not opposed to international business but they wondered why the two leases are not being required to go through the EIR process. A number of San Francisco businesses that have been in the City for many years have to go through the complete process and getting a lease is determined after the supplemental EIR is completed.

Mr. Dailey responded that this is only one agreement. The FEIR process, which should be done in a relatively short period of time, covers a number of different issues on the waterfront. This is a Marine Terminal Lease Agreement. The proposed cargo shipping use is within the scope of projects of the Waterfront Land Use FEIR. The other uses being identified in the FEIR are not water dependent use. This operation is strictly water dependent i.e. ships unloading cargo.

Commissioner McWilliams was pleased about increasing the Port's opportunities for maritime transport. There will be a number of opportunities in the near future that are going to mitigate air quality concerns in the whole region including the use of ferry transportation and moving products by water. This is one an opportunity for movement of aggregate by water where it was previously moved around by truck. Opportunities like this are good for the Port.

Lawrence Thibeaux, ILWU Local #10, indicated that they have concerns about the Hunters Point Bayview area. For many years, it has been a dumping ground for all kinds of activities. He supports this particular activity of the Port because they don't carry the product all over the community. The emissions from diesel is harmful to people in the community. He indicated that when a Port activity impacts the community, those corporate citizens should do everything they can to mitigate any kind of pollution or environmental problems in the community.

ACTION: Commissioner McCarthy moved approval; Commissioner McWilliams

seconded the motion. All of the Commissioners were in favor. Resolution No. 00-54 was approved.

B. Approval of First Amendment to Lease L-12657 with Waste Solutions Group for use of rail yard at Cargo Way. (Resolution No. 00-58) **This item was continued to the next meeting.**

Peter Dailey, Maritime Director, presented the item and requested Commission's approval.

Commissioner Brandon requested that this item be brought to the Southern Waterfront Advisory Committee for their review prior to requesting Commission's approval. She asked continuance of this item to the next meeting.

ACTION: Commissioner Leé moved approval to continue this item to the next meeting; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor.

6. REAL ESTATE

A. Approval of lease with Electronic Transportation, Inc. (ETI) at Pier 15 (The Embarcadero @ Green Street). (Resolution No. 00-64)

Mr. Nic Dempsey, Commercial Leasing Manager, presented the item and requested Commission's approval.

Commissioner McCarthy inquired about the change in the CPI. Mr. Dempsey responded that item was requested by the tenant and approved by the Executive Director in their negotiations. A letter was subsequently sent to that effect.

Commissioner McCarthy asked about the two separate leases at Pier 15. Mr. Dempsey responded that one is for the assembly, training and testing facility of the new electric busses and the other is for storage and staging facility. By keeping one facility within 150 feet of the existing wall, a secondary exiting on the south side of the pier would not be necessary and it would interfere with the exclusive control of that apron by Bay & Delta Towing. The uses of each facility are distinct and separate.

Commissioner McCarthy asked about the in-kind rent and rent credit. Mr. Dempsey replied that in a rent credit situation, the tenant would pay the rent and apply to the Port for a rent credit for improvements made to the Port or repairs that are otherwise the responsibility of the Port or any of the three items that are permitted under the Port Commission policy for rent credits. In this particular instance, these are in-kind credits where the tenant has an affirmative obligation to install not less than the dollar value of the improvements. To the extent that these dollar values are not reached, the rent will be increased so that the dollar equivalent is received in rent.

Commissioner McCarthy inquired about the $9,000 credit for permits and fees. Mr. Dempsey indicated that those are capitalizable cost - the amount for processing their

building permits.

Commissioner Brandon inquired about the minimum net effective rent. Mr. Dempsey indicated that net effective rent over the 4-year term for both leases is $0.266 per sq. ft. The rental rate schedule provides for a minimum net effective rent of $0.48 per sq. ft. When added to the minimum rent the value of the capitalizable tenant improvements to Pier 25 reflect a combined cash and "in kind" rental rate of $0.41 per sq. ft. The in-kind rents and the minimum rent for L-12850 would be in excess of the existing Port parameters.

In response to Commissioner McCarthy's inquiry of whether they can complete the work within their lease term of 3 years, Mr. Dempsey responded that they should be done in two years.

Commissioner Brandon inquired by the rent based on CPI. Mr. Dempsey responded that the rent would probably be approximately $30,000 annual in the 2nd year and more for the third year.

In response to Commissioner McCarthy's inquiry about the time factor, Mr. Dempsey responded that they need to start construction as soon as possible. The first busses are expected to roll out in September.

In all fairness, Commissioner Brandon indicated that the Port should not provide credit for the permits and fees. Mr. Dempsey received a nod from the lessee and confirmed that the Port would not provide rent credits for permits and fees.

ACTION: Commissioner McWilliams moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor. Resolution No. 00-64 was approved.

B. Approval of 20-year lease with Pacific Marine Dining Yachts at Pier 9 (The Embarcadero @ Broadway). (Resolution No. 00-65)

Ms. Jill Simpson, Maritime Marketing Manager, and Nic Dempsey, Commercial Leasing Manager presented the item and requested Commission's approval.

Captain Ken Cereghino, Port Fire Marshal, asked about the passenger route into the boats. Mr. Dempsey replied that they would be using the outside apron. The charter busses will be parked at the marginal wharf off the street and passengers would walk from Pier 15 marginal wharf to Pier 9. Captain Cereghino indicated that there are public assembly issues that were not brought to his attention and would like the opportunity to review the plan. Mr. Dailey suggested that Captain Cereghino and Mr. Dempsey discuss the item and continue the item after their discussion.

Mr. Dempsey thanked Mr. Dailey for the opportunity to discuss the issues with the Fire Marshal. He indicated that Captain Cereghino is confident that his issues can be resolved in due process. Captain Cereghino confirmed Mr. Dempsey's assessment.

Marina Secchitano, Inland Boatmen's Union, indicated that she is concerned about taking a significant portion of Pier 9 for other opportunities. The priority for the ferry industry should be protected and access to that space be provided.

Mr. Dempsey replied that the layberthing under discussion at Pier 9 is on the north side of the pier. That space is still being retained for Golden Gate Ferries as well as an office and break room area. The south side was never intended as a layberth for the ferries. Other opportunities exist at Piers 15, 17, and 19 for layberthing opportunities, if needed.

ACTION: Commissioner Lee moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. Resolution No. 00-65 was approved.

7. FACILITIES & OPERATIONS

A. Status Report on Pier 45 Fish Processing Facility Inspections.

Mr. Alex Lee, Director of Facilities & Operations, gave the Commission a status report on the operational issues at Pier 45 and indicated that representatives from Port staff, the fire department and the State Department of Health Services will also be making a presentation to the Commission.

Pier 45 is the largest commercial fishing facility in the West Coast. It was designed and built to meet stringent requirements at that time. Pier 45 revitalized the region's fish processing industry. The Port is committed to this industry and as a sign of support the Port is in the construction phase of the $5 million Hyde Street Harbor Project. Since March of this year, Port staff has initiated various actions in response to operational concerns at Pier 45 brought by two of Pier 45 tenants. The Port initiated an inter-agency coordination meeting to clarify overlapping jurisdiction of various agencies and regulatory requirements. This coordination led to the May 19th inspection of the facility. The agencies who participated in the inspection are following up with individual tenants to set up appropriate timelines for correcting violations.

Captain Cereghino, Port's Fire Marshal, inspected Pier 45 with the task force and thanked the task force their energy and enthusiasm. He also thanked the Pier 45 tenants for their cooperation. The few issues, although minor, were corrected in a timely fashion. As it stands to date, there are no fire code violations at Pier 45.

Michael Hernandez, Seafood Program Coordinator for the Dept. of Health Services in Sacramento, also thanked the seafood processors. The State Health Department is one of three health regulatory agencies that has authority over the seafood processing operations along the Embarcadero, Fisherman's Wharf and throughout the City. The other two are the Federal Food & Administration (headquartered in Alameda) and the County Environmental Health Department. That, however, will change as of January 1, 2001 because of a legislative bill that was just recently passed. The County Health Department will take a much less lead role in the enforcement of the health provisions along the wharf and the State Health Department will take the lead.

An inspection was held on May 19th. Five investigators inspected Pier 45 and Pier 33. Seventeen firms were inspected; 11 of which were on Pier 45 and 6 were at Pier 33. On June 22nd, a meeting was held in which a list of 10 priority items was developed for the task force to address. It was determined that the Health Department address its own particular issues and he presented the FFA's six top priorities for enforcement. As a result of the inspections, 8 regulatory letters were sent from the State Health office to processors requiring or demanding correction of the items. Copies of those letters have been provided to the Port as well. The Port will also send a follow-up letter to the tenants stating that, under their lease provisions, they have been notified that they are not currently in compliance with all the laws and regulations. As well, under the provisions of the Port's contract with the tenants, the Port will provide whatever incentives they made need.

On July 19th, they met with some of the tenants and provided them with a status report. To date, four Health Department issues needed to be addressed. A few firms were not inspected because they are seasonal operators. The State Health, in conjunction with the Port, will notify those tenants in order to get entry into their facilities and complete the inspection. Since the City Health Department will no longer be involved with inspections as of January 2001, a plan review process will be developed between the State and the Port to ensure that new tenants or any upgrades of current facilities are dealt with through their department.

There is one unresolved issue relative to the health department regarding the horses at Pier 33.

Since herring season causes concern because of the volume of boats and personnel on Pier 45, a meeting with the tenants as well as the fishermen will be conducted prior to the herring season.

Ed Bubnis, Port's Chief Building Inspector, indicated that on May 19, he and his building inspector, inspected tenancies at Pier 45. As Mr. Hernandez stated there were three tenants that he could not access and they are endeavoring to access those tenants along with scheduling inspections of tenants on Pier 33 and 28. Notices of violations for non-compliance, code issues relating to the building code, electrical code and plumbing code were issued as a result of that inspection. Most of the tenants have acknowledged the receipt of those violation notices. Various tenants have applied for building permits to correct the violations. Staff is ensuring that the tenants follow through and comply with the violation notices and make the corrections noted. Staff will perform quality inspections and verify that future work is done in conformance with all applicable codes.

Tim Gallagher, Port's Hazardous Materials Inspector, indicated that an inspection was conducted at Pier 45. They have identified some practices that needed to be corrected. Subsequent work with tenants and follow-up inspections indicate that waste water discharges are now in compliance at Pier 45. Staff will continue to do follow up inspections and ongoing work at Pier 45. He is currently working with the Dept. of Public Health regarding hazardous materials disclosure and registrations for all businesses at Pier 45. This work will be completed by the end of August 2000.

Mr. Alex Lee thanked everyone involved for their efforts on this matter. Port and other agency staff will continue to assist tenants in bringing their premises up to code and work toward correcting potential environmental, safety and disability access issues at Pier 45. The task force will continue to meet regularly and is expanding its efforts to include fish processing operations at Piers 28 and 33 and issues associated with the herring fishing.

Commissioner McCarthy was baffled about staff not being having access to certain tenants since it's Port property. Mr. Lee replied that some of the tenants are seasonal operators and are out of town. His staff is working with Elliott Riley to access their facilities.

Dan Strazzullo, All Shores Seafood, indicated that he is trying to make his business a success. He's tried to make the playing field even and would like his competitors to do what he had to do to open his business at Pier 45. Approximately 5 years ago, his company started building a facility at Pier 45. After getting all permits that were required by City Health, State Health and the Port, he hired an architect and a contractor to do the work. After getting the licensed contractor to start building, he noted that some other companies were moving in with little or nothing being done to their stalls. He figured they would come up to the code they had to meet later on. After two years, they started asking the Port, City Health and State Health officials why those firms were not made to do what they were required to including bathrooms, sinks and refrigeration. He received no answers.

In December 1999, City Health wrote them up for minor things. They complained that they did not have enough toilet paper. He couldn't believe that it was ok to not have any bathroom but it's not ok to have very little toilet paper. In early January, he wrote to Senator Jackie Speier and that started everyting. The Port did not do anything until they were pushed. He showed a list of letters he wrote to the Commission, City Health and various agencies asking why he had to spend money and others didn't. Nobody was answering his questions.

The Port did have a meeting and an inspection but it did not go far enough and it did not do enough. It answered some questions but he was never asked. The Port got into environmental issues that he did not concern himself with. He was concern about people being allowed to occupy a facility without meeting State and City Health basic requirements and plan checks. He had to have seven plans drawn up when he started his facility. Two plans went to State Health, two went to City Health for plan checks to make sure his facility was built according to what was required. He showed copies of bills that they sent stating things he has to do come up to codes and other requirements including sinks, wash basins, etc. One of his main concerns is his main competitor who is two doors from his facility. He has four walls, no bathroom, no offices but he was allowed to occupy his space. He has asked the Port why and still has not gotten any answers. He recently visited the Port and was amazed about the lack of plans. There were some plans that were hand drawn. There were at least five companies that have complete plans. There are other companies that had no plans. While the Port, City Health and State Health have finally done a few things, he still wanted to know why he had to pay for the plan checks when he did not have to do anything like the others.

Charlie Akwa, North Atlantic S.F., indicated that almost three months ago, she stood before the Commission and made some very serious allegations regarding the enforcement of basic health, safety and building codes by the Port with reference to its tenants at Pier 45. Specific references have been made to violations such as no bathroom facilities, no hot water, and the practice of eliminating waste through holes cut from the tenant's concrete floor for direct passage into the bay. The Port was challenged to explain how companies have been allowed to receive certificate of occupancy for the facility when there are obvious code violations, if they indeed completed the permitting process. A program was outlined, which included among other things, a review of all building permit files for the tenants of Pier 45 since they felt the source of the problem stems from the initial permitting process. Recommendations were made which could have been both efficient and expeditious to clearly identify the true extent of the problems that existed at Pier 45. The gravity of the suspected violation should have been enough for Port staff to at least take a further look into the problems since the alleged violations not only jeopardize the health and safety of the employees work on the pier but also has created an unfair economic advantage for some firms over others. Ms. Akwa indicated that, Mr. Lee concluded in his report to the Commission on May 25, that it would be difficult to review the permit files at Pier 45 since they were unavailable. Mr. Lee further stated that the exercise would serve no purpose since the comparison of permit applications versus what is standing today would only show work was done according to what was approved or if a permit was issued at all. That is exactly the point. It would be hard to believe that with the number of violations found that everything was originally built to code and then magically become non-compliant over time. To this date, no attempt has been made by the Port staff to do anything that nearly resembles a complete identification to the true extent of the problems that exist.

Ms. Akwa indicated that the Port acknowledged that there are few problems but no timetable has been established for bringing the offending firms to immediate compliance. Last year, the Port deemed that North Atlantic was in violation of Section 8.4 of its lease, failure to occupy space. While this charge was without merit, she was served 30-day notice to cure the deficiency or face eviction which meant that she had 15 days to complete drawings and submit for permitting on the remaining work. She could not see how the Port could justify allowing companies that have been found to be in breach of their leases under clauses far more numerous and severe than she was suspected of anything less severe than the 30-day notice her firm was given. Unless the Port wants to continue its inequitable treatment of tenants which seems to be how business is conducted, she and Mr. Strazullo have done sufficient research to conclude that the problems at Pier 45 are even greater than they could possibly imagine.

Last Thursday, July 20, in response to a Sunshine Ordinance document request the files that Mr. Lee was unable to previously access were made available to them. They had an opportunity to review the building permit files for the Pier 45 tenants. They were not only shocked by what they saw but what they did not see. At this date, they have seen no certificates of occupancy for any tenants at Pier 45 except for a temporary certificate granted to her company. Six firms had files which were considered complete (Cohan Seafood, All Shores Seafood, Pastarella Seafood, LaRocca Seafood, North Atlantic S.F. and H&N Fish Company). These files contained a complete set of

architectural drawings, necessary permit applications and review by all appropriate City agencies including the City Health Dept. Also the plans represented what was actually built. Over 66% of the applications were never forwarded to the City Health Department for review, as required for all food companies operating in San Francisco even though in some cases there was a direct reference made to a health permit being required but there is no evidence of permit being issued. When she queried the Port building official as to why these referrals were never made, they were informed that he was not aware that the fish company is a part of the food industry and thus required review by City Health. Additionally, permits were issued for permits for work but upon reviewing the submittal, the work actually completed does not reflect what was actually granted by permit. The Port has allowed companies to apply for permits for minor work such as adding a hose bib or electrical outlet but never endeavor to determine the company's actual use for the facility and no attempt was made to correlate the work which was being requested to the use of the facility or what other work might be required before the company could legally occupy the premises. This is commonly referred to the minimum requirements for permittee. It is also important to realize that almost every tenant who lease space at Pier 45 was given completely raw space consisting of 4 walls and 2 doors. All tenants received a six month rent abatement which represented the Port's acknowledgement that these spaces would have to be completely improved before a company could legally occupy the space and ready to do business. Ms. Akwa indicated that it is mind boggling that the Port's building department considers 4 blank walls and one electrical outlet would be all that would be necessary for food company to begin operation in a new location.

Some tenants have no files at all which would lead one to believe that after 4-6 years, no work has been done in their spaces in accordance with health, safety and building codes requirements. Many of those firms are also the same firms whose spaces were not available for the unannounced inspection of May 19. They have direct knowledge of work being completed by some tenants and there is no evidence of any permit being issued. These facts have been determined after a cursory examination of the building department's files and thorough inspection of files will undoubtedly yield more serious violations. The problems the Commission face are enormous and they feel that an independent outside building inspection is required. She and Mr. Strazullo are tired of being building inspectors, plan checkers, health officials and water quality monitors. She appealed to the Commission to take immediate action to correct the situation. If the Commission choose not to act on a timely manner, they will continue to contact any and all cognizant outside agencies that may assist them. It was Mr. Ammiano who stated in a letter to Mr. Doug Wong on June 29, "Should all or any part of the allegations be sustained, it would only be proper to bring these concerns to the proper City departments to conduct a formal investigation. As to the matter of unequal, selective and arbitrary treatment of tenants, this is very serious which could make the City vulnerable to litigation."

Kevin Gray, Attorney for North Atlantic, indicated that Ms. Akwa apprised him of her concerns regarding Pier 45 and he, in turn, brought them to the attention of Executive Director Wong, one of which is the placement of a temporary fuel dock adjacent to her building. He wrote Mr. Wong on July 21st and on July 24th, a memorandum came out to fish processors and berth holders from Elliott Riley and Hedley Prince which stated

that among other things, the Port has worked out an agreement with H&N Fish which will allow general petroleum resources to use a portion of the common area breezeway between Pier 45 Shed B & D as a temporary site for trailer capable of handling 7500 gallons of fuel. North Atlantic is also adjacent to the common area breezeway. Not only was an agreement not reached with North Atlantic Fish but they were not even consulted. Mr. Gray asked why some people are being consulted and agreement being reached while others are being left in the dark.

Jeanette Caito, Caito Fisheries, Inc. indicated that they occupy Shed 6 & 7 at Pier 45 since 1995. Prior to March, they have been in compliance with all the State agencies. She invited the Commission to see their facilities. They have minor things to take of and they will take care of them. She does not understand all these issues since they are all trying to work together and we have one of the best facilities in the West Coast. She thanked Port staff for their assistance not only recently but over the last five years. Port staff has done an outstanding job. Any time they need anything, Port staff is always ready to assist.

Peter Pomilia, North Coast Fisheries, indicated that she has lived in San Francisco all his life. His entire family is in the fishing industry for a long time. Pier 45 is doing an excellent job. A lot of the people on the pier are proud of what they have done and proud to be in San Francisco. They also have violations with the Port, which they have all taken of and he invited the Commission to inspect his facility. They've had some issues with the health department that they are working on. No one at the pier wants to not have a good facility. Some people have a private agenda and they ended up getting bad press. Ms. Akwa's business is not open. Her doors are close 80% of the time. Her business consists of all East Coast products; it has nothing to do with the Port. All the money goes back to the East Coast. Most of the people at Pier 45 have been in the business for a long time. We could all do a better job and everybody at Pier 45 is trying to do the best job they can. We can have a witch hunt and find something wrong. Everyone is trying to comply and appreciated the Port's support and vice versa.

Barry Cohan, Cohan Seafood Co. indicated that he is sickened by the spirit of litigiousness and looking into everybody else's business but their own. As far as he is concern, people don't have enough time and enough work of their own to do to be mixing up into other people's business. He's thankful that he is not under their microscope.

Commissioner Brandon indicated that there are still issues regarding Pier 45. The task force is doing a good job and everyone is trying to accomplish the same goals. She asked if the Real Estate Division has any leasing standards for that facility stating which needs to happen prior to moving in or is it a maintenance issue since the facilities are already operational. The two divisions need to work together to bring all the facilities up to standards and to ensure that these issues do not come up again in the future.

Mr. Alex Lee indicated that as of January 1, 2001, there will be no food processing or fish processing outfit will be allowed to operate without prior approval from State Health. Even though they rent premises from the Port, if they don't receive permit

from the State Health Department, they would not be allowed to operate.

Commissioner McCarthy inquired if the tenants have been notified of this change. Michael Hernandez, indicated that seafood processors are handled the same as all food processors throughout the State. A letter will be sent to the processors from the State Health Department indicating that as of 2001, they would be required to have a pre-approval inspection by the State Health Department if they want to be in business. The State has no legal authority prior to 2001.

Commissioner McCarthy inquired if the State will be performing the inspections. Mr. Hernandez indicated that the State would indeed make the prior inspections. He added that there is a bit of an issue that needs to be resolved i.e. the State Health Department does not have authority or provision to "full sanctions." They do not enforce plumbing, electrical code, Port health and safety code. Those issues have to be worked out and the State and the Port will work together to make sure those issues are addressed.

Elliott Riley, Property Manager assigned to Fisherman's Wharf, indicated that one of the questions raised is the issue of inequitable treatment of various tenants. He reminded the Commission that five years ago, we had in excess of 200,000 sq. ft. of shed space available for the fish processing industry. Those spaces were filled with a variety of different types of fish processors. There are processors who do everything from taking products over the apron off the boats, as well as taking air freight, participating in the crab season, as well as participating in the herring season. The requirements for those facilities are much different than those tenants who are here for the herring season only. They are here for a brief period of time (30 days), a temporary type of operation. They are an intrical and important part of the fishing industry, Fisherman's Wharf and Pier 45.

The Port also has tenancies at the wharf whose business centers primarily on breakbulk of seafood products. Their needs and requirements are much different than the full-on fish processors. As a result, the requirements vary from Tenant A to Tenant B. He reminded the Commission that over the period of time since Shed A was developed, there have been three major food changes. Each time there is a food change, there is a difference in the application code. There has also been a lack of certain clarity with reference to some of the enforcement items specifically around the issue of health food items. The task force is in the process of addressing those issues. Despite allegations to the contrary, the task force is an outgrowth of the Fisherman's Wharf Beautification Committee. The task force was voluntarily created. The initial interest of the task force is the handling of refuge at Pier 45. Complaints were heard about other items and the task force expanded their interest into those items and into Piers 28 & 33. As a result, the first joint inspection of Pier 45 was conducted. Given the opportunity, the task force will do a good job of addressing all the issues that have been brought to the Commission.

Commissioner Lee asked if there are any other outstanding code violations since the Fire Marshal noted that there are no fire code violations. Mr. Alex Lee replied that the tenants are in the process of getting building permits to correct the code violations.

Commissioner McCarthy indicated that since the task force is the mechanism for working out the issues, it would help if Ms. Akwa or Mr. Strazzullo would attend the meetings. There has to be some way for people to begin to come together. Several people have testified that others are making trouble and looking into their business. Others testified that there are only six tenants who have complete files. There's clearly a reason for the discrepancies. Whatever it is, there has to be a way to bring people together so that everyone understands why there are inequities, if there inequities, and establish some trust. There has to be a deadline on accessing "unavailable" tenant holdings. The task force should start setting guidelines and monitoring program so that everybody feels like they are being treated the same way. There was a time when no one wants to take a Pier 45 space. We now have to find a way for Pier 45 tenants to work together.

Mr. Strazzullo asked about the definition of processing. Port staff keeps referring to companies with different types of processing.

Mr. Hernandez responded that processing for their process group registration means technically anybody who holds, store, cuts in any way, shape or form and does anything to a product. The majority of the firms at Pier 45 would be considered processors under their food process registration. There is one firm in particular that is an exception because basically all they do is bring a box product, open it up and touch the fish to make sure they do a sensory analysis on it. Whether that process over to technically processing is a gray area but they are still required to have hand wash sinks in their area because they are touching the product. That firm is essentially a warehouse in many respects.

Commissioner McWilliams asked who controls compliance with the health care regulations after the initial permit approval. Mr. Hernandez replied that the State always had regulatory authority throughout all the seafood processors. In San Francisco and many other counties, the county health department also permit wholesale operations even though technically under their authority, they're supposed to be doing retail operations such as groceries, restaurants, farmers market, etc. Because of this legislation that will take effect January 2001, counties for the most part will not be permitting wholesale operations; that would fall exclusively to the State. The process is just an extension that already exists. What changes is that all new firms will be required to have a pre-inspection prior to them getting that permit to operate.

Prior to this point, a firm can go into business the State Health might not know about until they ran across them. They are under regulation to register with them but until they found them there was no enforcement. Now, they are required prior to operation. The State Health Department will monitor the compliance. He, as the compliance officer for the State Food Program, will make the determination. Currently, they have 5 inspectors but the State Health Department just hired 17 new investigators. The State Health Department will have to increase its surveillance. The regulatory authority still falls with the State in conjunction with FFA.

Commissioner McCarthy asked how many firms would not fall under that category at Pier 45. Mr. Hernandez indicated that everyone else would be considered a processor

at Pier 45.

Commissioner McWilliams inquired if there any tenants blatantly expressing their resistance to comply with any of the requirements. Mr. Lee replied that there are none.

Commissioners Brandon and McCarthy thanked Ms. Akwa and Mr. Strazzullo for bringing this matter to the Commission's attention.

8. PLANNING & DEVELOPMENT

A. Approval of Development Agreement with Rincon Park Restaurants, LLC for development of the Rincon Park Restaurant Site including the form of Ground Lease and approval of related modifications to the Design & Access Element of the *Waterfront Land Use Plan* (Resolution 00-60); and Approval of Schematic Drawings for the Rincon Park Restaurant Site (Resolution 00-61) NOTE: "This action is within the scope of: (1) the Rincon Point-South Beach Redevelopment Plan Final Environmental Impact Report, certified November 5, 1980; (2) the Rincon Point-South Beach Redevelopment Plan Supplemental Environmental Impact Report, certified on August 15, 1991; and (3) the Port of San Francisco Waterfront Land Use Plan Final Environmental Impact Report, certified on January 9, 1997, which EIRs adequately described the project."

Ms. Kari Kilstrom, Planning & Division, presented the item and requested Commission's approval.

Joe Nootbar, Wilson Equity Office, gave a brief presentation of the restaurant's schematic design. He highlighted the items that have changed since it was last presented to the Commission. The genesis of the plan stemmed from the overall site plan generated by Laurie Olin & her partner, Cindy Sanders. It was a successful move not only for the restaurant development but for the entire park site based on the ideals that the park would be more successful if this was an active place. They feel it has moved in that direction. The plan substantially has not changed from the overall site plan standpoint. He pointed out to the specific plans to illustrate the modifications made over time. The overall layout is generally the same as previously shown. Some of the modifications surrounding its layout since it was last presented to the Commission were there has been additional green space added in front of the piazza. The interaction of the public park and the restaurant piazza has been merged together as seamless as possible creating a blurred line between the public and private threshold to generate the activity level. They have been working closely with not only the Port, Rincon Pt. South Beach CAC, BCDC and Redevelopment, they seem to be continually working with every neighbor in the area including Shorenstein Company, owners of Hills Plaza as well as Palomino's. They have recently made an adjustment of the upper level of the south restaurant to clip back in response to their view request. Those ongoing efforts with the neighbors have proved to be successful. They feel the architecture has not been compromised but they have been able to compromise in positive ways to the neighbors which don't end up negatively affecting their project. Changes made recently were the areas both immediately north and south of the restaurant buildings. It became a discussion item at CAC and BCDC as to what the perception was for that

space. They always wanted a very seamless transition between the park and the dining. The dining pavilion is very glassy, open and transparent. They wanted the two to come together in a very seamless way. A byproduct of that was the perception of if the park users are going to be encroaching on the comfort of the diners and are the diners encroaching on the comfort of the public outside at the park. They have done some further design study at the north end which shows a new planning scheme which pulls the lawn area back away from the window walls and incorporates more perennial and flowering, ground covering shrubs as a bit of a buffer. BCDC has received the change very well. They think it's a positive enhancement. This plan is at the southern end of plan. The incorporation of more shrubs and flowering perennials to caress the south end of the building is a positive change made recently.

Mr. Nootbar indicated that copies of new renderings were provided to the Commission. The architecture character of the building has been explored in greater detail, which was done with the cooperation of the CAC. The north restaurant dining pavilion is very glassy, very transparent, lots of light coming through and not acting as a wall between the park and the restaurant development. The southern building becomes a little bit more of an anchor for the project. As the site narrows down, it becomes more urban and bolder in character. It picks up a little bit of the color of the Hills Plaza building, the background, a little bit more earthy, a little bit more rustic, with a very finish level of application of materials and very fine level of detailing. He showed the Commission renderings that showed architectural massing and character. In the overall plan that is curved walls that support the overall structure of the park design is set forth by the Olin Partnership. They merge out of the park, which was always been part of the design concept to bring the two buildings of the two projects together, the landscape wall becomes an architectural wall, continues across and expresses a vocabulary that is picked up in the architecture of the building.

They studied in great detail what the view impacts might be from across the street. They had specific conversations with Palomino's restaurant and what their impacts are going to be and did some studies to look at the portal, a canopy that stretched between the two buildings. Mr. Nootbar showed the Commission the evolution of the project. They started with the wall coming out of the park, it grew out of the park and extended all the way to the south end of the project. They subsequently started working with the neighbors and the CAC in reducing the massing, making it more transparent, opening up the portal and making it lighter and they ended up with more open facility. There is a very significant opening between the two buildings and more importantly, the Muni transit stop which has become a temporary waiting space and people sitting there would be able to see through; this is a plan enhancement. It reveals the bridge tower and opens up more light and more view as you move south. Other than the plan getting a little bit more sympathetic to its environment and its context, they are bringing a plan which has more refined representation what the materials will be and the character of the architecture. The overall plan set forth in the front building of the north building be transparent to the south anchor of the site. The public area in front of the piazza and the piazza proper do come together and it could be a wonderful public space. The use of these areas has been further defined. They are still maintaining a drop-off site. There is an ongoing conversation with the Port and DPT of whether or not there will be parallel parking on the Embarcadero. The end result is that curve cut drop-off would be a safe solution for valet and drop-off for both park and restaurant users.

One other important part of the plan that exists today is the public restaurant facility as part of the park development. The park development is shown adjacent to the J.C. Decaux facility which is adjacent to the fireboat house, which is a positive location because of the self-policing that the fireboat house lend itself to. They are concern about plopping of a restaurant in the center of the park. Restaurant Developer Reed Hearon is currently working with the Redevelopment Agency on an agreement to put the public restroom facility within the buildings, which they think is a better idea primarily because the use is associated with other architectural uses and it has activity around it and it puts another use within a soon-to-be existing building and does not add another three dimensional structure in the park. There is concern that the more elements they add to this part of the restaurant, the more views are taken away and more clutter in the foreground. They currently, as part of their park approvals, have this element as their back-up plan and are excited about putting the restroom as part of the restaurant development. They are currently looking at a couple of sites. The one of choice is potentially within the portal so that there is some association with the building entries and there is activity in the area.

The use and maintenance of public tables and chairs, as shown in front of the restaurant piazza, would be publicly accessible. They are working with the Redevelopment Agency and the developer is currently working on ways to police and protect the chairs and tables. They fully anticipate providing approximately 15 public tables and 3 to 4 chairs per table.

Kari Kilstrom pointed out that there are three new conditions that have been added to the resolution to clarify the type of glass and railing that would be accessible to the second story of the project and to clarify that any loading or valet area on the Embarcadero would not be used for parking and a revised Attachment A has been provided to the Commission as well. The approval of the development agreement and schematic design for the restaurants is important milestones for not only the restaurant project but also for the park and the Port's revitalization of the waterfront. The park and the restaurants when completed are going to be a wonderful asset to the public trust.

Commissioner McCarthy asked about the parking needs and how large of an area is set aside. Mr. Nootbar replied that there's no parking proposed in this plan, only for valet and drop-off.

Commissioner McWilliams inquired about accommodations for late-night janitorial or other people working in the building. Mr. Nootbar replied that would be part of the drop-off function along the Embarcadero curve. It's presently well over 100 feet long and it is anticipated that it would be a combination of white and yellow zone. It would have loading and utilitarian function as well as the white valet drop-off function. The overall purpose of the drop-off area is to get vehicles out of traffic. The valet parking would be operated in conjunction with the garages in the neighborhood both at Hills Plaza and the Gap.

Reed Hearon indicated that they anticipate having the janitorial functions self-contained within the units. The persons working as porters or janitorial functions will

arrive either in private automobiles or by public transport. They typically find themselves in a position of providing paid parking within area parking garages or encouraging people to use public transport. The changes with the Muni lines work very well for this site and there's also a lot of metered on-street parking.

Brent McDonald, AIA, representing Palomino Restaurants Unlimited, indicated that he spent seven months working on this issue. He thanked Kari Kilstrom, Diane Millner and Anne Cook for giving them an even-handed look at some of the issues they were faced with. It is unfortunate that the two restaurants will permanently and dramatically impact the view from Palomino Restaurant. The two new restaurants will have unbridled views of the bay and Palomino's Restaurant will have its view severely compromised. They are reluctantly agreeing to the design changes proposed by Port staff to create a permanent view corridor through the two restaurants in order to preserve some views of the restaurant. The items they have accomplished in the seven-month period have been the removal of porte-cochere to create visual access not only at the public transit stop but as well as the Hills Bros. Plaza. There was some reduction in the southern restaurant by ten feet. They have an agreement for the creation of a visually clear public access area between the two restaurants in which no objects may be created or maintained that would materially affect the view of the bay. They interpret the statement to mean that there will be no view blocking of inanimate objects such as banners, umbrellas, heat lamps, canopies, fountains, signs, etc. that can be used in the public access area except for special events. In which case, the operator will get special permission from the Port. There's also an added item of use of non-reflective glass, use of non-opaque railings around the second story decks and reasonable accommodation regarding the operation of window coverings. They have been trying to get adequate documentation that would give an enforceable agreement. They still have some significant concerns about the schematic documents, as there are numerous discrepancies. The only dimension that occurs in the schematic package is a vertical dimension on the section. They are concerned that a set of document is being termed as schematic design package when it does not have a roof plan. The AIA's definition of schematic plans be provided. The roof plan is certainly a plan. The term "grade of the park" keeps floating around. They assume the "grade of the park" is average grade of the park. These are the issues they would like to see addressed in the enforceable agreement, a firm understanding of what the schematic design package contains. There is also the vague term of "architectural embellishment." In the drawings provided to the Commission, there are numerous discrepancies in the various items submitted.

Joe Nootbar continually discusses openness and transparency to the water. In the floor plan shown on 2A and 2B, there are significant wall elements embracing bars and doors that do not appear in the perspectives. These discrepancies should be removed from the schematic design package. Mr. McDonald asked for his firm to have a thorough look at the schematic package to be assured that there are no inconsistencies and discrepancies. He also asked to examine the completed construction documents and compare the location of the story poles to have some satisfaction that the construction documents represent what they have been told. He urged everyone to add a few items to the list, a roof plan and some dimensions. He encouraged a list of submittal devoid of inconsistencies.

James Haas, Rincon Point/South Beach CAC, speaking on behalf of the out-of-town new chair of the CAC, indicated that the restaurant project has gone through more iteration of plans. Reed Hearon and Joe Nootbar worked with individuals and subcommittee members. On May 15, they presented a set of revisions to the committee members and they voted 12-2 to endorse the plan. The team promised to come back to discuss the plan with the committee. The committee feels that the restaurants will be positive addition to the waterfront.

Ernestine Weiss indicated that she was pleased with the lawn and the shrubbery; however, she's concern about the rear view of the building. At one of the design meetings she attended, it was described as a bland structure, which is dark and ill-looking. She asked if that has changed and wondered what the finish grade would be. She added that the view from the Embarcadero should be pretty and attractive. The focus on the rear should be as important as the waterfront.

Ms. Kilstrom indicated that with regard to the enforceability to take a schematic design, receive construction documents and evaluate whether or not the construction drawings are consistent with the schematic drawings, that level of information is being provided now. Port staff and representatives from Palomino looked at the site and the surveyors set story poles on the ground based on the schematic drawings. Ground floor and second floor level poles were erected. In the areas that were of most important to Palomino, with the legal description of the site and the schematic drawings, they would be able to evaluate the construction drawings to make sure that what Palomino saw in the photograph taken is adhered to. With respect to sharing documents, the Port cannot enter into an arrangement that sets up a third party beneficiary to the lease. It's a legal issue. There is a schedule of performance in the documents so one can track this project easily. When preliminary construction documents are submitted to the Port, staff can share that with interested parties. The color renderings in the Commission's package give a sense of elevation along the Embarcadero. The architects have paid close attention to the front of the building. Wraps around the buildings are quite lovely. Staff will be working with the designers through the final design phase as materials are selected to make sure that the details of the buildings are what the Port wants and are of high quality.

Commissioner Brandon inquired if the completed plans will be brought back to the Commission for approval once the schematic design is approved. Ms. Kilstrom replied that the completed plan would only come back to the Commission if the design deviates significantly with the schematic designs.

Commissioner Brandon asked about the type of landscaping that would be used and the height of the building. Ms. Kilstrom replied that those details would be included in the preliminary construction documents, which are typically reviewed by the Engineering and Planning Divisions. Most of the landscaping is park landscaping. There is some landscaping within the restaurant site but the landscaping is largely Rincon Park. A separate set of drawings will be submitted by the Redevelopment Agency and Port staff will review those to make sure that the park construction drawings adhere to the schematic design for the park.

Mr. Nootbar indicated that they would also be taking some of the material specifics to CAC.

Commissioner Brandon was concerned that if the Commission votes on this item, the Port will have no control of what the developer will do. Ms. Kilstrom indicated that the schematic design is defining the massing of the building and the design of the building in general, which is a standard approach. There is enough information to approve the schematic design at this level. The construction drawings simply implement what was being shown in elevation and in plan.

Commissioner McCarthy inquired about the materials that the developer will be using. Mr. Nootbar replied that the materials could change based on pricing and value engineering of a typical project. In the renderings for the south building, a panelized cortense steel oxidize steel panel will be used. If it ends up being slightly expensive than the project could bear, they might switch to a more conventional aluminum panel system. The plant list; however, will be part of the preliminary construction drawings, which will be reviewed by Port staff and presented to the CAC.

Commissioner McCarthy commented that after the Commission approved the schematic drawings for the Ferry Building Plaza, the developer provided another presentation to the Commission regarding the trees and materials to be used on the plaza. Since this is a visible project, she indicated that another presentation would be appropriate.

Commissioner Brandon indicated that the Commission would like to see the proposed completed design. Mr. Nootbar indicated that this is a standard approach, also utilized by the Redevelopment Agency. The construction drawings are highly technical and not very illustrative thus reviewed by architectural staff and plan checkers for consistency.

Commissioner Brandon indicated that the Commission usually gets a combination of plans, a basic outline and renderings showing the materials.

Jim Jennings, architect for the southern building, indicated that Joe Nootbar described the general character of the two buildings, the differences between the two, the amount of glass and the visual transparency of parts of the northern building and more solidity to the southern building. When they started working on the design of the restaurants, they determined that the buildings would have to be integrated with the design of the park and worked closely with the park designers to accomplish it. In the southern building, the brick colored material is proposed to be panels of cortense steel, a steel material that was originally developed for the railroads and by the rusting process that creates a hard shell. In the northern building, there is a curve wall portion that grows out of the park. The basic concept is a wall element that comes out of the ground and out of the park and becomes an element that anchors the building and the same material shows up in the section of the south building. That concrete material is consistent with all the walls in the park so that it is unified with the overall pallet of the park. Mr. Reed Hearon indicated that they are using the color and material consultant who is working on the Port bulkheads for the Ferry Building. The concrete they are using is a stained composition aggregate with a very smooth finish that does not look

anything like the sidewalk. It would look more like a stone than concrete. Mr. Peter Pfau indicated that the north building is transparent above that wall. On the second level, there is a transparent dining area that allows views through and even the areas that are enclosed have a translucent wall on them. That surface is set back from that lower landscape wall element. The building itself has a very transparent feeling above. Mr. Jennings indicated that the southern end of the northern building is where the bar is located. Through the opening that leads to the piazza and to the waterfront promenade is glass; there is a lot of visual transparency at that point. In the southern building, there is a large glass element that allows views from the Embarcadero and into the kitchen. There is a 10-foot section between the edge of the sidewalk and the face of the building that is landscaped.

Ernestine Weiss asked about the base. She thought that the base should be covered with landscaping so the concrete is not exposed. Mr. Jennings indicated that what is shown in the drawing is a computer representation of the shrubbery which will be considerably more elegant, which is a part of the park design.

Mr. Nootbar indicated that they have worked closely with the Design Advisory Committee and are fully aware of the materials and have seen examples of the materials.

Mr. Jennings indicated that while the restaurant is very transparent to allow views from the piazza to the park and vice versa, the material is extremely elegant. There is an effort to use very tactful, compelling, beautiful materials that play against the transparency of the building.

Ms. Kilstrom suggested that staff will be more than happy to bring back an informational presentation to the Commission during the design development phase before the developer invests a lot of money in the construction drawings. She reiterated that staff will provide the Commission an informational presentation before going further with the construction drawings. She commented that the developer needs to have a certain level of certainty at each level of entitlement.

Commissioner Brandon reiterated than when the developer gets further into the development stage and the designs are complete, the developer should provide a presentation to the Commission for approval.

Legal Counsel Sekhri clarified that a schematic design is presented to the Commission at this level. Port staff looks at future preliminary construction drawings that are more technical. The Executive Director makes a determination whether there are material changes between the schematic and preliminary documents. If there are, the Executive Director presents them to the Commission for approval. Ms. Kilstrom is suggesting that at a later stage, staff will bring it back for informational presentation to show the Commission that there is no deviation from the schematic design.

Judith Patterson, Hills Plaza resident representing community members opposed to the restaurant, indicated that she does not approve of a restaurant at that site because the views will be compromised. However, she will probably be a patron in the restaurants

and will enjoy the view from the inside. What's seen from the street, from Palomino, from the sidewalk and from all the people who will never go that restaurant is important. She concurred with the Commission about looking at the landscaping drawings.

Commissioner McWilliams expressed his feelings about encroachment on the waterfront in general and about the hundreds of jobs lost so people can live at the Hills Bros. Plaza. It makes him angry that people don't see the connection between the encroachment on the waterfront, the working maritime facilities on the waterfront and come back with arguments that are completely disassociated with the initial conversation about maintaining the industrial working waterfront. He keeps hearing those conversations come back in a different context. People have no memory of where it all started. People forget that the working fabric of the San Francisco waterfront has been given up so that all these activities can happen.

ACTION: Commissioner Lee moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. Resolution No. 00-60 and Resolution No. 00-61 were approved.

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

James Haas brought two items to the Commission's attention: (1) transportation – the waterfront transportation improvements accomplished to date do not provide adequate transportation from one end of the Embarcadero to the other. Mimi Silbert from Delancey Street, Larry Baer from the Giants and people from fisherman's wharf all advocated for an E-Line. Supervisor Becerril has stirred up Muni on this matter and at the end of June, they produced a 24-page paper stating that despite the fact that $11 million was spent in putting the track, service could not be provided for at least three years. The Fisherman's Wharf Association and the Giants would like to have a trolley festival next summer and have an E-Line presence. The Port will also benefit for having the E-Line. With the cruise terminal project, it would require people to be able to move up and down the waterfront. The Port, however, has not been active in advocating this line. He urged the Commission to have the Executive Director play an active role. (2) organ pavilion – the fundraising is underway and they have a pledge of $1 million dollars. He gave the Commission a brochure, listing the Port as one of the endorser of the project. The total amount to be raised is $3 million. They hope to have the inaugural concert in spring 2003.

Ernestine Weiss commented that there is an M-line that goes to the ballpark as well as a reliable Metro system. Ms. Weiss indicated that she's unhappy with the skateboarders at Gabbiano's and along the Embarcadero. She suggested that signs be place around the Embarcadero and the Ferry Building stating that there is no skateboarding allowed and the police monitor the area.

The meeting was adjourned at 8:30 p.m.

NOTICE OF CANCELLED MEETINGS

THE REGULAR PORT COMMISSION MEETINGS SCHEDULED FOR

TUESDAY, AUGUST 8, 2000
AND
TUESDAY, AUGUST 22, 2000

ARE CANCELLED

A SPECIAL PORT COMMISSION MEETING
IS SCHEDULED FOR

TUESDAY, AUGUST 15, 2000
AT 4:00 P.M.

in the Port Commission Room
Suite 3100, Ferry Building
San Francisco, CA 94111
(415) 274-0406

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AUGUST /SEPTEMBER 2000

CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
August 8 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
August 15 *(Special Meeting)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
August 22 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
September 12	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
September 26	4:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47, Fisherman's Wharf. ***PLEASE NOTE: (The August meeting of the Fisherman's Wharf Waterfront Advisory Group has been rescheduled the 4th Tuesday – August 22nd.)***

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Fisherman's Wharf Waterfront Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Liz Fitzgerald	274-0400

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SAN FRANCISCO PORT COMMISSION

SPECIAL MEETING
4:00 P.M., TUESDAY, AUGUST 15, 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - July 25, 2000 Regular & Special Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

      1) New Ferry Landing at Pacific Bell Park

4. **CONSENT CALENDAR**

   A. Approval of Memorandum of Understanding with Department of Administrative Services, Solid Waste Management Program regarding the Port's Used Oil Recycling Program. (Resolution No. 00-69) (Staff report provided to the Commission.)

5. **MARITIME**

   A. Approval of First Amendment of Lease L-12657 with Waste Solutions Group, a California Corporation for use of the Port's Intermodal Container Transfer Facility. (Resolution No. 00-58) (Staff report provided to the Commission.)

6. **REAL ESTATE**

   A. Approval of Additional Uses and Consent to Sublease between Crowley Maritime Services, Inc. and Miller Thompson Constructors, Inc. for Premises Located at Pier 54 (Terry Francois Boulevard) (Resolution No. 00-71) (Staff report provided to the Commission.)

7. **FACILITIES & OPERATIONS**

   A. Authorization to Award Contract No. 2665, "Pier 48 Interior Fire Damage Repair," to the lowest responsive bidder, LTM Construction Company Inc. (Resolution No. 00-56) (Staff report provided to the Commission.)

B. Authorization to execute a contract modification to Contract No. 2613 to include the Alternate Bid Item "New North Float" to the Downtown Ferry Terminal Project in an amount not to exceed $1,200,000. (Resolution No. 00-70) (Staff report provided to the Commission.)

8. PLANNING & DEVELOPMENT

A. Resolution authorizing the Executive Director to retroactively apply for, accept and expend up to $481,00 from the Federal Highway Administration's Transportation Enhancement Activities Program (TEA 21) for the Embarcadero Promenade Pedestrian Improvements and the Historic Renovation of the Pier 43 Ferry Arch. (Resolution No. 00-66)

B. Approval of Amendment to Leases with Hornblower Yachts, Inc. and Ferryboat Santa Rosa Partners, Ltd. at Pier 3. (Resolution No. 00-67) (Staff report provided to the Commission.)

C. Approval of Amendments to the Request for Proposals for the Development and Lease of Piers 27-31 for a Mixed-Use Recreation Project. (Resolution No. 00-68) (Staff report provided to the Commission.)

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

11. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) Discussion of the Executive Director's compensation for FY 2001/2002.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTER:

a. Discuss existing litigation matter pursuant to subdivision (a) of the California Government Code Section 54956.9 (one case):
X As Defendant __ As Plaintiff
Alioto Fish Company vs. CCSF, et. al., Superior Court No. 306-391

(3) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Douglas F. Wong, Executive Director
*Municipal Railway: David Esparaza

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding the Western Pacific Property @ 25th & Illinois.

b. Property: Port Property located at Pier 50
Person Negotiating: Port of San Francisco: Douglas F. Wong, Executive Director
*NBC Container: Bill Pinto, Sr.

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations with NBC Container, Inc.

c. Property: Bryant Street Pier Project
Person Negotiating: Port of San Francisco: Anne Cook, Waterfront Development Project Manager
*Lend Lease: Glenn Elkington

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding the Bryant Street Pier Project.

d. Property: Ferry Building
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Wilson Cornerstone: Chris Meany

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding the Ferry Building.

e. Property: Seawall Lot 347S
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Gap: Kevin Salliday

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Seawall Lot 347S.

f. Property: Port Property located at SWL 337
Person Negotiating: Port of San Francisco: Theresa Picon, Director of Real Estate
*China Basin Ballpark Company: Jack Bair

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations with CBBC.

g. Property: Port Property located at Pier 50
Person Negotiating: Port of San Francisco: Theresa Picon, Director of Real Estate
*Jelly's-A Dance Café: Ricci Cornell

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Jelly's – A Dance Café at Pier 50.

h. Property: Pier 29
Person Negotiating: Port of San Francisco: Theresa Picon, Director of Real Estate
*Economic Opportunity Council of San Francisco: Betty White

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations with Economic Opportunity Council of San Francisco.

12. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

13. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

AUGUST /SEPTEMBER 2000

CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
August 8 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
August 14	6:00 p.m.	Southern Waterfront Advisory Committee	Southeast Community College 1800 Oakdale Avenue
August 15 *(Special Meeting)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
August 17	4:00 p.m.	Pier 70 Advisory Group	CCAC 450 Irwin Street
August 22 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
September 12	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
September 26	4:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47, Fisherman's Wharf. ***PLEASE NOTE: (The August meeting of the Fisherman's Wharf Waterfront Advisory Group has been rescheduled the 4th Tuesday – August 22nd.)***

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Fisherman's Wharf Waterfront Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Liz Fitzgerald	274-0400

ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

August 9, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of a Memorandum of Understanding with Department of Administrative Services, Solid Waste Management Program regarding the Port's Used Oil Recycling Program.

DIRECTOR'S RECOMMENDATION: Approve the Memorandum of Understanding.

BACKGROUND

Since 1994, the City and County of San Francisco Department of Administrative Services' Solid Waste Management Program (SWMP) has funded the Port's used oil collection and recycling program (used oil recycling program) through an inter-departmental work order. The used oil recycling program provides oil and oil filter collection and recycling services to boat owners and other users at two locations on Port property: at Fisherman's Wharf and on Terry Francois Blvd., near Pier 54 (China Basin). Over the past twelve months, Port Environmental Health and Safety staff collected 5,500 gallons of used oil for recycling from these two locations. The amount of used oil collected, and the cost of the program has increased each year since the program's inception in 1994. Funding from the SWMP supports all the operation, maintenance, and disposal costs associated with the used oil recycling program. Funding is provided to the SWMP through a Used Motor Oil Block Grant awarded by the California Integrated Waste Management Board.

Beginning fiscal year 2000/2001, due to the increased amount of funding to be transferred to the Port, the SWMP requires that the Port enter into a Memorandum of Understanding (MOU)

regarding the agreement to support the used oil recycling program. The term of the MOU is July 6, 2000 through June 30, 2001. The SWMP agrees to provide the Port $76,000. The Port agrees to continue to operate and maintain two used oil collection stations, replace the equipment at China Basin to increase collection capacity, and transfer the equipment currently at China Basin to a mutually agreed upon location to establish a third used oil collection location.

Establishment of the two existing used oil recycling stations has reduced the volume of used oil and oil filters found abandoned on Port property. Used oil dropped off at the Port's collection stations is collected more efficiently and safely than it would otherwise be. Funding from the SWMP provides equipment and materials, pays recycling fees, and reimburses the Port for its labor costs. The funding for fiscal year 2000/01 will also support increase oil spill prevention and response planning and equipment purchases.

RECOMMENDATION

Port staff recommends approval of the MOU with the SWMP.

Prepared by: Carol Bach, Environmental Health and Safety Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-69

WHEREAS, In 1994, the Port and the Department of Administrative Services, Solid Waste Management Program (SWMP) established a used oil and oil filter recycling program, funded by a grant from the California Integrated Waste Management Board to the SWMP; and

WHEREAS, The used oil recycling program provides Port users with a convenient way of safely manage used oil, and decreases the volume of used oil and oil filters illegally abandoned on Port property; and

WHEREAS, The SWMP agrees to provide $76,000 during fiscal year 00/01 to pay all operation, maintenance, disposal and labor costs associated with the used oil collection program during that fiscal year; and

WHEREAS, The Port agrees to use the funds to continue operating and maintaining two used oil collection stations, purchase equipment to increase collection capacity at one location, and transfer existing equipment to a third location, now therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes and directs the Executive Director to enter into the MOU between the Port and the Department of Administrative Services, Solid Waste Management Program (dated for reference July 6, 2000) on the terms and conditions on file with the Secretary of the Port Commission for this item.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 15, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
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MEMORANDUM

August 9, 2000

TO: MEMBERS, PORT COMMISSION
Hon. President Kimberly Brandon
Hon. Vice President Brian McWilliams
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of First Amendment of Lease L-12657 with Waste Solutions Group, a California Corporation for use of the Port's Intermodal Container Transfer Facility.

DIRECTOR'S RECOMMENDATION: APPROVE LEASE AMENDMENT

BACKGROUND

In September 1998, the Port entered into a five-year lease with the Waste Solutions Group Corporation for approximately 1,200 square feet of office space and the non-exclusive use of the Port's Intermodal Container Transfer Facility (ICTF) located at Pier 96. The permitted use is for operation of a general office in direct support of Tenant's business practices; loading and unloading non-ocean cargo on and off of rail cars owned or operated by Tenant; and for the use of the ICTF yard for the storage of rail cars and intermodal containers and for no other purposes. The Waste Solutions Group primary business line is the transfer of soils and other materials by intermodal containers out of San Francisco for disposal at facilities in Utah. Additionally Waste Solutions has also agreed to provide vital short-line rail service to Port shipping customers between the mainline Union Pacific trackage to and from Pier 80, and has leased the rail tracks from Union Pacific for that purpose.

Waste Solutions has made significant equipment acquisitions to provide this service. They have asked the Port to extend their lease five years, which will currently expire at the end of October of 2003, to allow them recoup their equipment acquisition expense, to recognize their exclusive use (with respect to non-ocean going cargo only) of the ICTF yard to move and store rail cars and containers.

TERMS AND CONDITIONS

Term
Term shall be extended until October 31, 2008. This lease amendment includes standard 4.2 Termination by Port language.

Use
Operation of a general office in support of Tenant's business, use of rail yard for loading and unloading of non-ocean going cargo, and exclusive use (with respect to non-ocean going cargo only) of rail yard for movement and storage of rail cars and intermodal containers.

Maintenance and Repair
Tenant shall at its sole cost and expense maintain and repair the premises including all trackage, switches and rail apparatus, fences, gates mast lighting and payment.

Base Rent
$1680.00 per month for rental of a 1,200 square foot trailer subject to annual CPI.

ICTF Use Fees

Dry Containers and tank containers -	7/1/ 2000	- 10/31/ 2003	$ 15 per container
	11/1/2003	- 10/31/ 2008	$ 30 per container
Railcars-	7/1/ 2000	- 10/31/2003	$ 45 per railcar
	11/1/ 2003	- 10/31/2008	$ 75 per railcar

Rates stated in ICTF Use will be subject to adjustment at the same percentage and at the same time as those authorized by the California Association of Port Authorities for the Port's Tariff No. 4 coverage Wharfage N.O.S. Item # 237.

Waste Solutions Group has, by use of the Port's rail facilities has assisted the Port greatly by generating increased rail usage to our facilities by the mainline rail service provider, the Union Pacific Railroad, which, as the Port's maritime business levels have increased, has created more service opportunities for the Ports maritime/industrial customers. Additionally, at the Port largest intermodal customer, Waste Solutions Groups has been actively assisting the Port in planning for the construction of the proposed Illinois St. rail bridge project.

Waste Solutions Group has requested permission to assign this lease to a newly formed corporation, L. B. Railco, a corporation that has the same corporate structure, same shareholders and same insurance coverage as Waste Solutions Group. This amendment would authorize the Port Director to approve the assignment upon submittal of materials documenting that L. B. Railco meets the criteria identified above. Waste Solutions Group would remain responsible for the lease.

Prepared By: Peter A. Dailey, Maritime Director

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-58

WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Railroad service is vital to the efficient operation of the Port's cargo terminals; and

WHEREAS, the Port has authorized Waste Solutions Group to operate and maintain their business at the Intermodal Container Transfer Facility pursuant to Lease No. L-12657 dated September 18, 1998; and

WHEREAS, Waste Solutions Group has entered into a lease with Union Pacific for rail tracks with the intent to provide short line rail service from the main Union Pacific line to Pier 80; and

WHEREAS, Waste Solutions have asked the Port for a extension of their current lease to ensure continuity of rail service as well as help amortize equipment acquisitions for rail operations; and

WHEREAS, Port staff has negotiated a five-year lease extension that significantly increases revenues to the Port while also strengthening the intermodal services of the Port; and now therefore, be it

RESOLVED, that the Port Commission hereby approves the lease with Waste Solutions Group on terms set forth in the memorandum to the Port Commission for this Item 5A, a copy of which is on file with the Secretary of the Port Commission and hereby authorizes the Executive Director of the Port or his designee to execute documents effecting said lease on behalf of the Port, in such form as is approved by the City Attorney.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 15, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

August 10, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian Thomas McWilliams, Vice-President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: APPROVAL OF ADDITIONAL USES AND CONSENT TO SUBLEASE BETWEEN CROWLEY MARITIME SERVICES, INC. AND MILLER THOMPSON CONSTRUCTORS, INC. FOR PREMISES LOCATED AT PIER 54 (TERRY FRANCOIS BOULEVARD).

DIRECTOR'S RECOMMENDATION: APPROVE ADDITIONAL USES AND CONSENT TO SUBLEASE

BACKGROUND

Crowley Marine Services, Inc. ("Crowley") has been the tenant at Pier 54 since July 1, 1993 under Port Lease No. L-11750. The Lease has a term of fifteen (15) years with two (2) five-year options for operations which include: berthing of vessels and barges; water taxi service; engineering and machine shop to support marine operations; general maintenance of equipment and vessels; and administrative and purchasing functions. Crowley's current Base Rent is $23,817.50 per month, $285,810.00 annually.

When Crowley entered into this Lease, the objective was to consolidate the entire San Francisco Bay operation to Pier 54. At the time, the engineering shop, ferry maintenance and water taxi services were operated out of Pier 9. Crowley's administrative, purchasing, and tug and tow operations were located in Oakland and Alameda.

Crowley invested approximately 2.1 million Dollars in pier improvements to accommodate its proposed uses at Pier 54. The improvements included the installation of a new fendering system and upgrade of the offices and shed. Additionally, portions of the deck were rebuilt and paved, and a new sewer line installed.

In October 1996, Crowley ceased its "harbor work" operations on San Francisco Bay, which consisted of ship assist, tug and tow, and water taxi activities. In June of 1997, Crowley sold its last remaining water related operation on San Francisco Bay, which was the Red & White Fleet. Aside from a small office operation, Pier 54 has been vacant ever since.

In 1998 the Port Commission consented to the sublease of the Pier 54 Facility to Rudolf Menzel, Mr. Menzel efforts to operate a small boat building and repair facility at Pier 54 proved uneconomical additionally despite the efforts of several reputable real estate brokers, Mr. Menzel was unable to service maritime subtenants for the facility. Crowley terminated its sublease with Mr. Menzel in 1999 and sought a new subtenant.

Mr. Miller Thompson Constructors, Inc. has proposed to sublease the entire Pier 54 facility from Crowley Maritime services for the remainder of Crowley's term.

Miller Thompson Constructors, Inc. and its affiliate companies, Pan Marine Constructors and Podesta Divers have been Port of San Francisco tenants for over 40 years and had occupied various spaces at Piers 3, 26, 33 and 50. Miller Thompson Constructors, Inc. and its affiliate companies are bonafide marine construction companies. Miller Thompson Constructors, Inc. is a Human rights Commission certified Woman Owned Business Enterprise (WBE) and currently is the lead contractor for the Port's Ferry Terminal Project. Although Miller Thompson and its affiliate companies occupy a majority of the premises affected by the Crowley master lease, approximately 40% of the facility will be available for further subletting. The proposed conditions to the Port Commission's consent to the sublease to Miller Thompson Constructors, Inc. will permit Miller Thompson to sublease up to 404 of the Pier 54 premises to non-maritime tenants. All subtenants must be approved by the Port and must comply with all other terms of the Lease.

As a result of its consolidation of its offices and shed space into a single facility at Pier 54, Miller Thompson Constructors, Inc. current facilities at Pier 26 (10,940 s.f.) and Pier 50 (2,130 s.f.) will be returned to the Port inventory and the Leases and License Agreements affecting them will be terminated. Both of these facilities are subject to old leases with very low rental rates ($0.10 per square foot for shed space and $0.55 per square foot for the office space). At only Port Commission approved minimum net effective rents, the releasing of these facilities will generate an incremental $105,000 of annual Port revenue.

CONCLUSION:

Port staff recommends Port Commission approval of the additional uses and consent to the proposed sublease.

PROPOSED SUBLEASE TERMS

1. **Premises**: Approximately 116,000 square feet of pier space and approximately 181,500 square feet of water space and all improvements therein as more particularly described in Exhibit B attached hereto.

2. **Term**: Sublease shall commence upon Port Commission approval and terminate on June 30, 2008, unless terminated for cause by sublessor.

3. **Use**: Those uses permitted by the master Lease used up to 40% of the Premises may be for non maritime uses.

4. **Initial Base Rent**: $23,817.85 per calendar month.

5. **Wharfage**: Sublessee shall pay directly to the Port of San Francisco wharfage for similar charges required by the San Francisco Port Commission tariff or other requirement.

6. **Commencing March 1, 2001** the rent to Crowley Maritime Services will be the Base Rent under the master Lease plus $1,000.00 per calendar month.

7. **Subletting:** Sublessee may sublease up to 40% of the Premises to non maritime tenants approved by the Port.

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Prepared by: Nicolas J. Dempsey, Senior Property Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-71

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581 (g) leases granted or made by the Port Commission shall be administered exclusively by the operation forces or the Port Commission; and

WHEREAS, the Port and Crowley Marine Services, Inc. are parties to Lease L-11750 dated as of March 11, 1993; and

WHEREAS, the Port has the right to approve or disapprove, for reasonable grounds, a change of use and sublease of the Premises, and

WHEREAS, Port Commission approval is being sought for the approval of additional uses and Consent of Sublease with Rudolph Menzel d.b.a. Pier 66 Small Boat Center for a Sublease of Pier 54; now, therefore, be it

RESOLVED, that the Port Commission hereby approves the additional uses outlined in Exhibit A subject to satisfaction and compliance with those conditions attached hereto as Exhibit A; and

RESOLVED, that the Port Commission hereby consents to Sublease between Crowley Marine Services, Inc. and Miller Thompson Constructors, Inc. incorporating the business terms set forth in the Memorandum for Agenda Item 6A on August 15, 2000 and authorizes Executive Director or his designee to execute the Consent of Sublease and to take such further action as may be required to implement the Sublease.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 15, 2000.

_____
Secretary

EXHIBIT A

Proposed Additional Uses and Conditions to Port Approval of Sublease between Crowley Marine Services, Inc. and Miller Thompson Constructors, Inc.

(Attachment to Resolution No. 2000-71)

1. Additional Uses.

The following are permitted as additional uses under Port Lease No. L-11750 ("Lease") between Port and Crowley Marine Services, Inc., only for so long as the sublease between Crowley and Miller Thompson Constructors, Inc. is in effect:

1. Boat building, sail and canvas repair.
2. Boat and marine supply sales and service stores contained within the existing improvements.
3. Workshops for marine related businesses contained within the existing improvements and Section 6.1 (f) of the Lease would not be limited to the reconditioning of diesel power packs.
4. Private meeting room for marine-related businesses using the facility, including beer and wine sales, limited to one of the existing break room areas and limited to no more than 1,000 square feet.
5. Container self-storage within the outdoor pier area for use by Pier 54 marine subtenants only.
6. Berthing and mooring of pleasure craft and general commercial boats and barges. Tenant shall be required to obtain written approval from the Port's Executive Director, or his/her designee, prior to berthing commercial ships, which consent may be withheld by Port in its sole discretion.
7. General office use.
8. General storage and small manufacturing.
9. Vehicle parking.

2. Storm Water Pollution Prevention. Tenant shall:

(a) Use booms, oil-absorbent pads and other pollution-control devices as may be required by the Port or any governmental agency having jurisdiction over such matters, necessary to prevent storm water run-off into the Bay; and

(b) File a Notice of Intent (NOI) to be covered by the General Industrial Activities Storm Water Permit ("General Permit") issued by the State Water Resources Control Board; develop and implement a Storm Water Pollution Prevention Plan (SWPPP) in compliance with the General Permit; and develop and implement a yearly monitoring program in accordance with the General Permit.

3. Tenant's Environmental Condition Notification Requirements.

(a) Notification of Any Release or Discharge. Tenant shall immediately notify Port

in writing of any release or discharge of any Hazardous Materials, whether or not the release is in quantities that would be required under the law the reporting of such release to a governmental or regulatory agency.

(b) Notification of Any Notice, Investigation, or Claim. Tenant shall also immediately notify Port in writing of, and shall contemporaneously provide Port with a copy of:

(i) Any written notice of release of hazardous materials (as defined in the Lease) in the Premises that is provided by Tenant or any subtenant or other occupant of the Premises to a governmental or regulatory agency;

(ii) Any notice of a violation or a potential or alleged violation, of any applicable environmental law that is received by Tenant or any subtenant or other occupant of the Premises from any governmental or regulatory agency;

(iii) Any inquiry, investigation, enforcement, cleanup, removal, or other action that is instituted or threatened by a governmental or regulatory agency against Tenant or subtenant or other occupant of the Premises and that relates to the release or discharge of hazardous materials on or from the Premises;

(iv) Any claim that is instituted or threatened by any third party against Tenant or any subtenant or other occupant of the Premises and that relates to any release or discharge of hazardous materials on or from the Premises; and

(v) Any notice of the loss of any environmental operating permit by Tenant or any subtenant or other occupant of the Premises.

(c) Failure to Comply. Failure to comply with this Clause shall constitute a material default under the Lease Agreement. In the event of such default, Port shall have all rights available under the Lease Agreement and at law or equity including, without limitation, the right to either:

(i) Terminate the Lease Agreement and collect damages Port incurs as a result of such default, including, without limitation, cleanup costs incurred by Port resulting from the cleanup of any hazardous materials released into the Premises, soil, or groundwater; or

(ii) Require the cleanup of such hazardous materials at the Tenant's sole expense while still enforcing the remaining terms and obligations of the Lease Agreement.

(d) Survival. The obligations within this Section shall survive the expiration or earlier termination of the Lease Agreement.

4. Mitigation Measures.

Tenant hereby acknowledges the receipt of Subsections F (Air Quality) and J (Hydrology

and Water Quality) of Section VI (Mitigation Measures) of the Port of San Francisco Waterfront Land Use Plan Final Environmental Impact Report, 994.155E (State Clearinghouse No 94123007) (Final Certification Date: January 9, 1997) copies of which are acknowledged as having been received by tenant and incorporated herein by their reference. Tenant shall comply with such air quality and hydrology and water quality mitigation measures as from time to time may be applicable to Tenant's use of the Premises. Without limiting the foregoing, prior to commencing operations at the Premises, Tenant shall submit a dust abatement program to Port staff for its review and approval in accordance with said mitigation measure F-1 of said Subsection F and Tenant shall comply with such approved program during the Term of this Lease.

5. Acknowledgement.

Prior to execution of sublease between Crowley Marine Services, Inc. and Miller Thompson Constructors, Inc. and as a condition to the effectiveness of the consent granted in Port Resolution [2000-71], Tenant shall acknowledge its agreement to comply with all of the foregoing conditions, by signing below.

By signing below, Tenant further agrees that the breach of any of the terms and conditions of this Exhibit A shall constitute a material breach under the Lease, and shall entitle Port to its remedies set forth therein.

Acknowledged and Agreed:

"TENANT"

_____

Alan Zurawski
Vice President
Crowley Marine Services, Inc.

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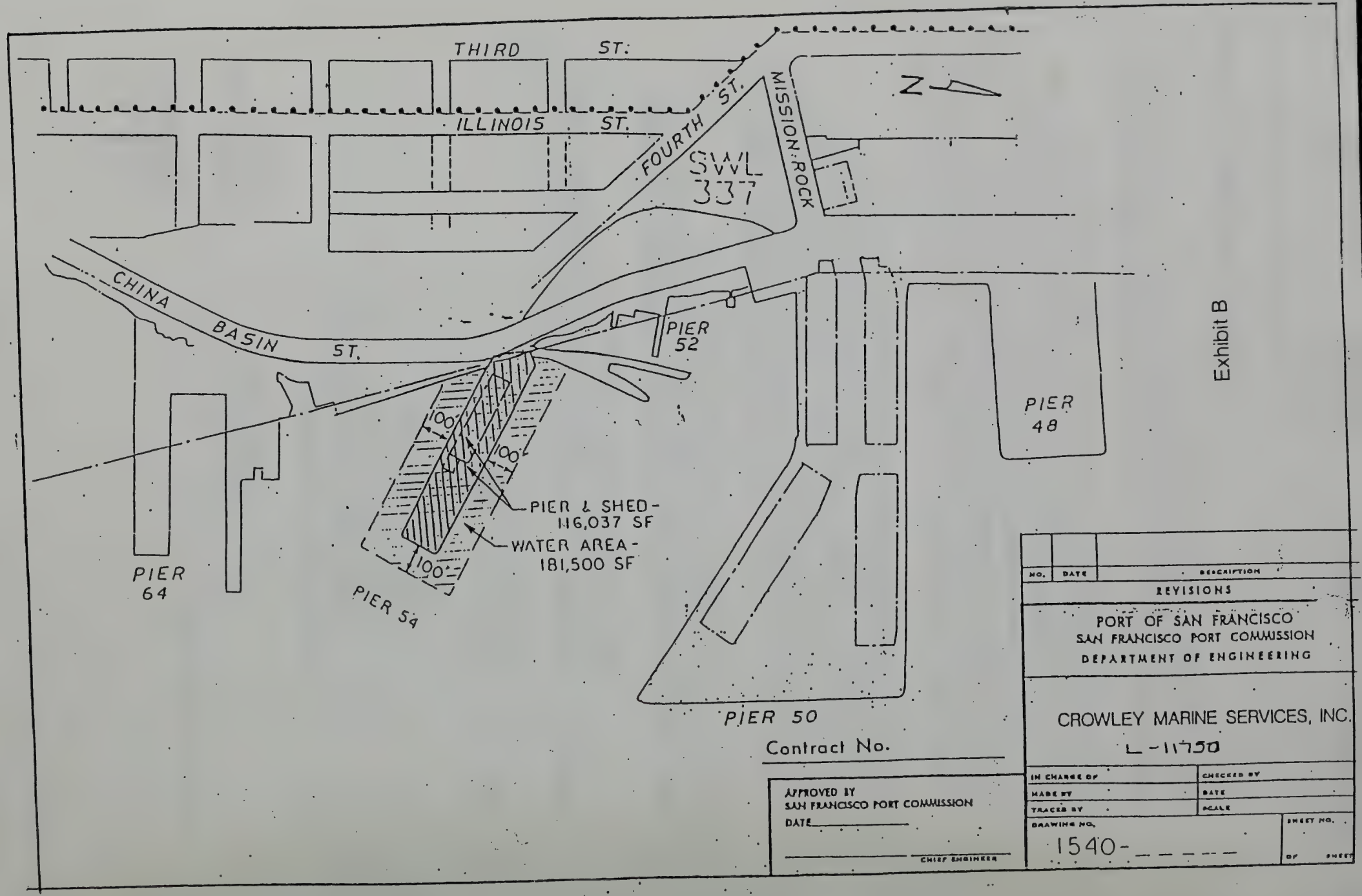

Exhibit B

NO.	DATE	DESCRIPTION

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

CROWLEY MARINE SERVICES, INC.

L-11750

Contract No.

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

_____ CHIEF ENGINEER

IN CHARGE OF	CHECKED BY
MADE BY	DATE
TRACED BY	SCALE
DRAWING NO. 1540-_____	SHEET NO. OF SHEET

PORT OF SAN FRANCISCO

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MEMORANDUM
August 3, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to Award Contract No. 2665, "Pier 48 Interior Fire Damage Repair," to the lowest responsive bidder, LTM Construction Company Inc., for $1,509,000 Plus 10% Contingency

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION AUTHORIZE STAFF TO AWARD CONTRACT NO. 2665, FOR THE PIER 48 INTERIOR FIRE DAMAGE REPAIR, TO LTM CONSTRUCTION COMPANY, INC.

On March 9, 2000, the Commission authorized Port Staff to advertise for competitive bids for the Pier 48 Interior Fire Damage Repair Contract. The contract includes the design and installation of a code upgrade fire sprinkler system, the installation of the restrooms, the building's lighting and mechanical systems and provisions for access and egress in compliance with the current Building Code and ADA requirements. The HRC subcontracting goals for this contract are 23% for MBEs and 5% for WBEs.

On May 24, 2000, four bids were received and opened. A summary of the bids is attached. The Base Bid amount was used to establish the low bidder. Port Engineering Staff and the Human Rights Commission Staff reviewed the bids and determined that LTM Construction is the lowest responsive, responsible bidder that satisfies the contract requirements and the HRC goals. LTM's Base Bid amount is $1,464,000, which is less than the engineer's estimate of $1.54 million. The Port's insurance carrier has reviewed LTM's bid and has agreed that the cost of this work will be covered by the Port's property insurance.

Port Staff requests authorization to award the Pier 48 Interior Fire Damage Repair to LTM Construction for $1,509,000 plus a 10% contingency of $150,900. The award includes the Base Bid and Additive Alternate Bid Item 1.

Prepared by: Ed Byrne, Senior Civil Engineer

This Print Covers Calendar Item No. 7A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-56

WHEREAS, On March 9, 2000, the Commission authorized Port Staff to advertise for competitive bids for the Pier 48 Interior Fire Damage Repair Contract; and

WHEREAS, On May 24, 2000, four bids were received and opened; and

WHEREAS, Port Engineering Staff and the Human Rights Commission Staff reviewed the bids and determined that LTM Construction Company is the lowest responsive, responsible bidder that satisfies the contract requirements and the HRC goals; and

WHEREAS, LTM's Base Bid amount is $1,464,000, which is less than the engineer's estimate of $1.54 million; and

WHEREAS, The Port's insurance carrier has reviewed LTM's bid and has agreed that the cost of this work is covered by the Port's property insurance; and therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes the award of Contract No. 2665, "Pier 48 Interior Fire Damage Repair," including Base Bid and Additive Alternate Bid Items, to LTM Construction for $1,509,000 plus a 10% contingency of $150,900; and be it further

RESOLVED, that the San Francisco Port Commission authorizes the Executive Director to accept the work after it is complete.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 15, 2000.

_____
Secretary

BID SUMMARY RESULT

Project: Pier 48 Interior Fire Damage Repair
Contract No.: 2665

Project Manager: Mansur Niufar

Prepared By: Mansur Niufar
Checked By: Victor Yew
Date: 5/31/00
Bids Opened: 5/24/00

Bid Item	DESCRIPTION	Trico Construction Co. San Francisco, Ca. Total Amount' seven items	LTM Construction Co. Inc. San Francisco, Ca. Total Amount' seven items	Competent Builders Inc. San Francisco Total Amount' seven items	Jersey Constructors Inc. San Francisco, Ca. Total Amount' seven items
BASE BID BASIS OF AWARD, TOTAL OF SEVEN ITEMS	**BASE BID ITEM NO.1, Architectural**: All work as shown on the drawing and described in the Specifications. **BASE BID ITEM NO. 2, Mechanical:** Mechanical and plumbing to support the toilet facilities. **BASE BID ITEM NO. 3, Mechanical**: Sprinkler system east of Column line 37.5 in Sheds "A", "B" and "C". **BASE BID ITEM NO.4, Mechanical:** Sprinkler system from Column line 37.5 to Column line 29.5 in Sheds "A" and "B". **BASE BID ITEM NO. 5, Electrical:** Fire Alarm System and Emergency Lighting, complete, throughout Sheds "A", "B" and "C", as shown on Sheet A1.01. **BASE BID ITEM NO. 6, ELECTRICAL:** All lighting and power for Sheds "A" , "B" and "C" east of Column line 37.5, including light and power for toilet facilities. **BASE BID ITEM NO. 7, Electrical:** Lighting and power for both Sheds, "A" and "B" from Column line 37.5 to Column line 29.5.	$1,561,173.00	$1,464,000.00	$1,853,000.00	$2,013,003.00
ADDITIVE ALTERNATE	**ADDITIVE ALTERNATE, Mechanical** Sprinkler system from Column line 29.5 to Column line 21.5 for Sheds "A" and "B".	$32,400.00	$45,000.00	$35,000.00	$45,000.00

NOTE:

A. Successful Bidder will be slelected on the lowest BASE BID amount quoted by the reponsive, responsible and CERTIFIED Bidder
B. See Bid Summary Report (attached) for the Contractor deemed responsive, responsible by HRC and Engineering, Trico Construction.

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BID SUMMARY REPORT

Project: Pier 48 Fire Damage Repair
Contract No. 2665

Project Engineer: Mansur Niufar
Project Manager: Mansur Niufar
Bid Opened: 05/24/2000

Required Forms	Document #	Trico Construction Co. San Francisco, Ca. Yes	No.	LTM Construction Co. San Francisco, Ca. Yes	No.	Competent Builders Inc. San Francisco, Ca. Yes	No.	Jersey Constructors San Francisco, ca. Yes	No.
Bid Form	00400	YES		YES		YES		YES	
Schedule of Bid Prices	00410	YES		YES		YES		YES	
Non-Collusion Affidavit	00480	YES		YES		YES		YES	
Bid Bond	00430	YES		YES		YES		YES	
Acknowledgment of Receipt of Addenda	00432	YES		YES		YES		YES	
Subcontractor List	00435	YES		YES		YES		YES	
Business Tas Registration Declaration	00454	YES		YES		YES		YES	
Certificate of Bidders Regarding Apprentic Training Program	00465	YES		YES		YES		YES	
Higest Prevailin Wage Rate Certification	00460	YES'		YES'		YES'		YES'	
HRC Form 1 MBE/WBE/LBE Bid Discount Application	HRC Form 1	YES		YES		YES		YES	
HRC Form 2A1 MBE/WBE Subcontractor and Supplier Participation	HRC Form 2A	YES		YES		YES		YES	
HRC Form 2B: Construction....Good Faith Efforts	HRD Form 2B	YES		YES		YES		YES	
Certificate of Bidder Regarding Nondiscrimination in Contract and Benefit	00470	YES		YES		YES		YES	
Bidders Qualifications Statement	00450	YES		YES		YES		YES	
Frist Source Hiring Program Certification	00457	YES		YES		YES		YES	
Certificate of Bidder Regarding Dabartment and Suspension	00482	YES		YES		YES		YES	
Deemed Reponsive by Engineering & HRC (y/n)?		**Yes**		**Yes**		**Yes**		**Yes**	
Total Bid Amount $ =		**$ 1,561,173.00**		**$1,464,000.00**		**$1,853,000.00**		**$2,013.003.00**	
Preferences (as applicable)									
MBE	10%								
WBE	10%	**$ 156,117.3O**							
LBE	5%			**$73,200.00**					
JV	5%								
JV	7.5%								
JV	10%								
ADJUSTED BID		**$ 1,405,055.70**		**$1,390,800.00**					

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PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

August 9, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to execute a contract modification to Contract No. 2613 to include the Alternate Bid Item "New North Float" to the Downtown Ferry Terminal Project in an amount not to exceed $1,200,000.

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO EXECUTE A CONTRACT MODIFICATION TO CONTRACT 2613.

Introduction

Port staff requests that the Commission authorize the execution of a contract modification to the existing Downtown Ferry Terminal Construction Contract No. 2613. This modification will allow the Port to construct the new north float element of the project (originally an alternate bid item).

Background

On December 16, 1999 the Port authorized Port Staff to award the construction contract for the Downtown Ferry Terminal Project to Miller Thompson Constructors (MTC), a woman-owned Disadvantaged Business Enterprise (DBE). The contract for $9.17 million covers only the Base Bid scope of work, which includes the new south terminal and float and the new north terminal and refurbished float. MTC was the lowest responsible bidder for the combined amounts for the Base Bid, the Breakwater, and the New North Float Alternate Bid Items.

However, the bids for the base and alternate bid items, combined, exceeded the available funding at the time of contract award. Thus, the contract award to MTC included only the Base Bid scope of work. The Port's Notice to Proceed was issued to MTC on January 24, 2000 and work is currently underway.

This Print Covers Calendar Item No. **7B**

Current Status

The addition of this work will mean that the north terminal, which is anticipated to serve the North Bay areas, will enjoy a new and upgraded terminal that will be identical to the new facilities being built at the south terminal. The original contract called for the refurbishment of the existing Pier ½ float. The new alternate bid item will include the fabrication of a new float that will include all amenities and will then leave the existing Pier ½ float available to be used by the Port in emergencies or as a replacement during repairs or maintenance of the new terminals.

This modification to the project does not require any additional environmental review as a new float next to the Ferry Building is within the scope of the Negative Declaration prepared for this project by the City Planning Department and certified on August 7, 1997, which document was considered by the Port Commission at its October 17, 1997 meeting.

The cost of the Alternate Bid Item "New North Float" (consisting of two related Bid Items A3.1 and A3.2) as bid by Miller Thompson Constructors is $1,200,000. A total of $1,320,000 is thus needed to fund this work and a standard construction contingency of 10%. A Federal Highway Administration (FHWA) grant (of $1.175 million) and the California Transportation Commission Proposition 116 (CTC) grant are both previously authorized by the Commission and available for this cost. The FHWA grant was awarded specifically for the construction of the new north float and requires 20% matching funds. Funding already in the project can be considered to meet the matching requirement. Both grants have been awarded to the Port for the construction of the Downtown Ferry Terminal. A summary of the proposed funding sources for the new north float is as follows:

Fund Source	Amount
Federal Highway Administration Grant	$1,175,000
California Transportation Commission (Prop. 116)	$145,000
Total	$1,320,000

Schedule

The current contractual project completion date is January 7, 2001, but is anticipated to be extended in order to construct the Breakwater which was added to the project as an alternate bid item. This will not impact the areas of work affecting the follow-on Ferry Building Project which will still be completed by the end of 2000. Should the new north float be added to the Downtown Ferry Terminal contract, as requested by staff, the work will be scheduled to start immediately. The new terminals are anticipated to be open by the end of the year.

Prepared by: Nita Mizushima
Project Manager
For: Cliff Jarrard
Chief Harbor Engineer

PORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-70

WHEREAS, The New North Float will provide a new, upgraded float to serve as the north terminal and will allow for the existing float to be held available for emergencies; and

WHEREAS, In Resolutions #91-44 and #99-43, the Port Commission authorized staff to pursue grants to fund the costs of upgrading the North Ferry Terminal; and

WHEREAS, In 1998, the Federal Highway Administration awarded the Port of San Francisco at $1,175,000 grant from its Ferry Boat Discretionary Program (TEA 21) for construction of the North Ferry Terminal. Said funds are now being administered by the Federal Transit Administration through the San Francisco Public Transportation Commission; and

WHEREAS, The cost of Alternate Bid Item A3 "New North Float" as competitively bid by the successful bidder, Miller Thompson Constructors, is $1,200,000; and

WHEREAS, Current project funding as well as additional funds in the amount of $145,000 from the California Transportation Commission Proposition 116 funds are available to match the Federal grant and pay for this additional scope of work; and

WHEREAS, That the new ferry float for the New North Terminal is within the scope of the Negative Declaration; and

WHEREAS, That based upon the Port Commission's review of the Negative Declaration, the Port Commission hereby finds that: (1) modifications incorporated into the Downtown Ferry Terminal Project will not require important revisions to the Negative Declaration due the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) no substantial changes have occurred with respect to the circumstances under which the Downtown Ferry Terminal Project is undertaken which would require major revisions to the Negative Declaration due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the Negative Declaration; and (3) no new information of substantial importance to the Project has become available which would indicate: (a) the Downtown Ferry Terminal Project will have significant effects not discussed in the Negative Declaration; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would

reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the Negative Declaration would substantially reduce one or more significant effects on the environment; and now, therefore, be it,

RESOLVED, That the Port Commission authorizes staff to execute a contract modification to add the Alternate Bid Item A3 "New North Float" to the existing Downtown Ferry Terminal Construction Contract 2613 in the sum not-to-exceed $1,200,000, and authorizes a 10% construction contingency.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 15, 2000.

_____

Secretary

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

August 8, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Resolution authorizing the Executive Director to retroactively apply for, accept and expend up to $481,000 from the Federal Highway Administration's Transportation Enhancement Activities Program (TEA 21) for the Embarcadero Promenade Pedestrian Improvements and the Historic Renovation of the Pier 43 Ferry Arch. (Resolution No. 00-66)

DIRECTOR'S RECOMMENDATION: APPROVE RESOLUTION

BACKGROUND

The San Francisco County Transportation Authority (SFCTA) and the California Transportation Commission (CTC) solicited agencies to submit application for the Federal Highway Administration's Transportation Enhancement Activities Program under the Transportation Equity Act for the 21st Century (TEA 21) for capital projects in Fiscal Years 1998-2003.

Under this program port staff prepared grant applications for two projects: 1) the Embarcadero Promenade Pedestrian Improvements and 2) Pier 43 Ferry Arch Renovation. Both projects were approved by California Transportation Commission on January 18, 2000, and by the Federal Highway Administration on March 23, 2000.

A description of the two projects is as follows:

Embarcadero Promenade Pedestrian Improvements

The grant is for replacing a concrete wall and chain link fence with a decorative railing. The project is located along the edge of the proposed Rincon Park. The "Embarcadero Promenade

Pedestrian Improvements" is part of the large Embarcadero Roadway urban renewal project. Currently a 4-foot height concrete wall and chain link fence block expansive views of the Bay along 420 feet of the Embarcadero Promenade adjacent to the park and at the end of Harrison Street. The project will replace the wall and chain link fence with a decorative railing. The railing's design will be consistent with other Roadway and Promenade improvements and will connect finished sections of the Promenade on both ends. This project will enhance vistas of the San Francisco Bay from the Mid-Embarcadero Roadway, Promenade and streetcar platforms.

The Port Commission already authorized staff to submit an application for Federal funds under the "Transportation for Livable Communities" program for this project (Resolution No. 99-15). The project was not approved for funding under this program, but the SFCTA did approve funding for this project in the amount of $226,000 out of another program, Transportation Enhancement Activities.

The total estimated project cost is $283,000. The Port will meet the local match of $57,000 through funds appropriated in the Port's 2000/01 Capital Plan.

Project Schedule: The Request for Proposals will be brought before the Port Commission in Spring 2001. Construction will start in Summer 2001 and will be complete by the end of 2001.

Historic Renovation of Pier 43 Ferry Arch

The Pier 43 Ferry Arch is a historic transportation structure that is one of the most significant reminders of the San Francisco waterfront's industrial past. Built in 1913 the Ferry Arch was a place of embarkation for rail cars, passengers, autos, and cargo. The Ferry Arch will be the centerpiece of a new ferry landing facility planned for Pier 43. The Port and the City of Vallejo will begin construction of the new ferry landing in the spring of 2001. Passengers will board ferries by walking around the historic Ferry Arch and ramp on Pier 43.

The Ferry Arch suffered extensive fire damage on July 13, 1998. The Ferry Arch is currently being renovated using Port funds and insurance coverage. This grant will provide architectural lighting for the Arch and other improvements not covered by insurance. All improvements are being made consistent with the Secretary of the Interior's Standards for Historic Preservation to maintain the historic significance and appearance of the arch structure. The Ferry Arch will also be featured as a part of the interpretive signage program being installed this year.

The total grant request for this project was $255,000. The total estimated project cost is $1.4 million. The remaining funding for this project will come from insurance funds from the fire damage, estimated at $800,000 and Port Capital funds in the amount of $350,000.

Project Schedule: Design work is scheduled to begin in January 2001. Construction will commence in Summer 2001 and the project should be complete by December 2001.

Prepared By: Veronica Sanchez, Manager, Government Affairs

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-66

WHEREAS, The Transportation Equity Act for the 21st Century (TEA 21) created the Transportation Enhancement Activities Program to fund Capital projects for Fiscal Years 1998 – 2003 that enhance quality-of-life, in or around transportation facilities; and

WHEREAS, Through the San Francisco County Transportation Authority, the California Transportation Commission solicited applications for the Federal Highway Administration's Transportation Enhancement Activities Program; and

WHEREAS, The Port of San Francisco identified two projects eligible for funding under the regional Transportation Enhancement Activities Program; and

WHEREAS, The Port of San Francisco submitted applications for the Embarcadero Promenade Pedestrian Improvements and the Historic Renovation of the Pier 43 Ferry Arch; and

WHEREAS, The California Transportation Commission and the Federal Highway Administration (FHWA) approved funding for both projects on January 18, 2000 and March 23, 2000 successively; now, therefore, be it,

RESOLVED, That the San Francisco Port Commission does hereby authorize the Executive Director to retroactively apply for, accept and expend up to $481,000 of FHWA, Transportation Enhancement Activity grants for the Embarcadero Promenade Pedestrian Improvements and the Historic Renovation of the Pier 43 Ferry Arch.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of August 15, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

August 9, 2000

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
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www.sfport.com

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of Amendments to Leases with Hornblower Yachts, Inc. and Ferryboat Santa Rosa Partners, Ltd. at Pier 3 (Resolution No. 00-67)

DIRECTOR'S RECOMMENDATION: Approve Lease Amendments

BACKGROUND

The Port Commission on November 7, 1997 by Resolution No. 97-96 approved Lease No. L-12175 with Hornblower Yachts, Inc. ("Hornblower") for premises on Pier 3 ("Hornblower Lease"), and approved an amendment to Lease No. L-10421 with Ferryboat Santa Rosa Partners, Ltd. ("Santa Rosa") for premises at Pier 3 ("Santa Rosa Lease"). The terms of both leases extend until October 31, 2012, and the tenants under both leases are owned by the same principal, Terry McCrae. The Hornblower Lease provides that either party may terminate this lease if the required BCDC permit and building permit are not obtained by a deadline, currently established as July 1, 2000.

Since the Hornblower Lease and the Santa Rosa Lease amendment were executed, two issues have been identified which necessitate amendments to both of these leases:

1. **Structural repairs.** A survey conducted by Structus, an independent engineering consultant retained by the Port, determined that the marginal wharf between Piers 1½-5 is seriously deteriorated, requiring immediate repair. The Port's engineering group determined that future use and improvement of the buildings on this marginal wharf would be difficult unless substructure repairs are made to the marginal wharf. Part of the Pier 3 bulkhead building over this deteriorated marginal wharf is included in the premises of the Hornblower Lease. The

Port Commission on May 9, 2000 by Resolution No. 00-83 authorized award of a contract to repair the first two bays of this marginal wharf, but not the remainder of the marginal wharf. The Port's engineering staff also determined that, while the open pier portion of the Hornblower leased premises is not in as bad a condition as the marginal wharf, it does suffer from significant deterioration which will need to be repaired within the next 12 years (the existing terms of the Hornblower Lease and the Santa Rosa Lease) in order to continue the useful life of this facility. The existing Hornblower Lease acknowledged that portions of the premises were in poor condition, but there is no requirement for correcting deferred maintenance or repairing the substructure.

2. **Pier 1½ - 5 Mixed-Use Preservation Project RFP.** The Port on February 8, 2000 by Resolution No. 00-07 authorized issuance of a Request for Proposals for the development of the Piers 1½ - 5 Mixed Use Preservation Project ("RFP"). The Site for this preservation project included the portion of the Pier 3 shed and bulkhead buildings not included in the premises of either the Hornblower Lease or the Santa Rosa Lease. However, concerns were raised by prospective respondents at the presubmittal meeting for this RFP that the configuration of the Hornblower Lease and Santa Rosa Lease premises would make it extremely difficult to make the seismic upgrades necessary to undertake the development of the Site. The problem was confirmed by additional analysis conducted by the Port's engineering group.

PROPOSED LEASE AMENDMENTS

In order to address these issues, Port staff and the tenants under the Hornblower Lease and the Santa Rosa Lease negotiated amendments to these two leases as indicated below:

Proposed Amendment to Hornblower Lease (No. L-12175)

Lease Parameter	Existing	Amended
Premises		
Shed Space	11,044 s.f.	0
Open Pier Space	71,669 s.f.	69,140 s.f.
Water Area for Exclusive Berthing	100,151 s.f.	98,982 s.f.
Right-of-way through Pier Shed	Not applicable	4,920 s.f.
Signage Rights	Archway facade	Archway facade
Term		
Length	14 years	30 years
Expiration	October 31, 2012	December 31, 2030
Base Rent	$11,647.00 per month	$14,166.67

Lease Parameter	Existing	Amended
Percentage Rent	6% - Gross receipts from boat rental, tickets, beverages, food, photo services, and on-board retail sales 66%-parking receipts after deducting parking taxes 9% - retail sales 10%-commissions on ticket sales not operated by Hornblower & not originating from premises Additional percentage rent from home berthed vessels, originating excursions at another location on Port property.	Same
Permitted Uses:	(1) Passenger loading and unloading and berthing passenger vessels, limited to types of maritime excursion operations and common carrier ferry service and support facilities permitted by law as of the lease date; (2) ticket office for operations of Tenant and subtenants of Tenant; (3) compound or compounds to be utilized by racing sail boats; (4) ceremonial berthing of sail boats and historic vessels; (5) catering uses; (6) maritime offices; (7) photo services and sale of retail merchandise directly related to maritime activities located on the Premises; (8) special events (subject to Port approval); and (9) parking to support maritime operations and activities.	Same, plus berthing for transient vessels, visitor center, telecommunication, and other support uses.
Home Berthing Requirement:	A minimum of two passenger vessels shall be home berthed at Premises, and the certified capacity of all passenger vessels home berthed at the Premises shall be at least 450 passengers.	A minimum of one passenger vessel vessel shall be home berthed at Premises, and the certified capacity of all passenger vessels home berthed at the Premises shall be at least 450 passengers.
Parking Requirement:	Tenant shall accommodate up to 100 monthly parking spaces Monday-Friday for other maritime businesses and shall provide parking for other businesses on Port property to the extent it does not interfere with parking in support of Tenant's maritime operations and activities.	Tenant shall provide 25 parking spaces for Port vehicles and shall provide parking for other businesses on Port property to the extent it does not interfere with parking in support of Tenant's maritime operations and activities.

Lease Parameter	Existing	Amended
Maintenance and Repairs:	Tenant responsible for all maintenance and repairs except pier substructure. Neither party responsible for pier substructure, but either party may make pier substructure repairs.	Tenant responsible for all maintenance and repairs, including pier substructure.
Improvements & Alterations:	Tenant accepts in an "as is" condition. Tenant shall construct berthing improvements and other improvements, such as public access improvements necessary to obtain regulatory approvals.	Same, except Tenant responsible for implementing an approved repair plan to the pier substructure between the 5th and 12th years of lease term.
Rent Credits:	Tenant granted a rent credit for 50% of the cost of berthing improvements. Said rent credit shall not exceed $500,000, and may be taken on a monthly basis against the portion of Percentage Rent in excess of 5% of gross receipts.	Tenant granted following rent credits: (1) 50% of the cost of berthing improvements (not to exceed $750,000); (2) 50% of the cost of public access improvements (not to exceed $400,000); (3) 100% of the cost of pier substructure repairs. Rent credits taken on an annualized basis against ½ of the percentage overage rent (percentage rent less base rent).
Assignments & Subletting Participation:	75% participation in net transfer proceeds.	50% participation in net transfer proceeds excluding transfers to related firms.
First Right of Refusal	Not applicable	First right of refusal to lease the first floor of Parcel D on Exhibit B.

Proposed Amendment to Santa Rosa Lease (No. L-10421)

Leasing Parameter	Existing	Amended
Premises:		
Open Pier	12,305 s.f.	11,561 s.f.
Water Area for Exclusive Berthing	46,689 s.f.	46,689 s.f.
Term:		
Length	14 years	32 years
Expiration	October 31, 2012	December 31, 2030
Base Rent:	$3,508.95 per month with annual cost of living adjustment.	Same
Percentage Rent:	10% - Sublease revenue for office and museum uses. 6% - Gross receipts, including boat rental, tickets, beverage,	Same

Lease Parameter	Existing	Amended
	food, photo service and on-board retail sales.	
Permitted Uses:	Berthing of Ferryboat Santa Rosa, including: (1) museum, (2) maritime and general office use, (3) meeting rooms and banquet facilities, including food and beverage, (4) passenger loading and unloading, and passenger vessels of the type of maritime common carrier and support facilities allowed by law as of the lease date, and (5) ancillary retail sales.	Same
Maintenance & Repairs:	Tenant responsible for maintenance and repairs including pier substructure.	Same
Rent Credits:	None	Tenant granted rent credits for 100% of the cost of pier substructure repairs and 50% of public access improvements. Rent credits taken on an annualized basis against ½ of the percentage overage rent (percentage rent less base rent).

Analysis and Recommendation

The indicated rent credits are granted in accordance to the Port's Rent Credit Policy (Resolution 91-118). This policy allows rent credits for 100% of the cost of work which would fall within the responsibility of the Port. It also allows for rent credits to provide for the expansion of the business of an existing percentage rental paying tenant, thereby increasing the financial return to the Port. In the latter case, the Port shares in the costs by providing only partial rent credits. The rent credits are to be taken against a portion of the overage percentage rents (the percentage rent in excess of the base rent).

Pursuant to this policy, Hornblower is being granted rents credits for 100% of the cost to repair and correct deferred maintenance to the pier substructure, and 50% of the cost of berthing improvements and public access improvements. Santa Rosa is being granted rent credits for 100% of the cost to repair and correct deferred maintenance to the pier substructure, and 50% of the cost of public access improvements. No rent credits are being granted for other improvements and fixtures. The cost of repairing and correcting the deferred maintenance of the pier substructure is estimated to cost over $8 Million. The berthing and public access improvements are estimated to cost up to $2.3 Million. It is projected that the entire 30 year lease term may be required to amortize the aggregate rent credits.

The premises of the Hornblower Lease are currently being used for parking, generating annualized revenues of approximately $260,000. However, this parking is being conducted under a temporary BCDC permit related to the Waterfront Transportation Project construction, and BCDC will require up to 35% of the pier to be dedicated for public access as a condition of granting a permanent permit

allowing parking. The initial annual base rent of $170,000 for in the Hornblower Lease reflects a 35% reduction from the current annualized revenues. This initial annual base rent equates to $2.46 per sq. ft., as compared to the current leasing parameters of $2.16-3.00 per sq. ft. for open pier space on the northern waterfront. The base rent for the Santa Rosa Lease equates to $3.42 per sq. ft. Hornblower is also anticipated to generate significant percentage rent from the Hornblower Lease Premises. Even after rent credits, Hornblower is projected to pay the Port total rent of $282,350 for Pier 3 in year one ($4.08 per sq. ft.), with an average of $681,132 over the 30-year term.

This transaction will thus enable one of the Port's top maritime operations to expand its business, generating significantly increased revenues to the Port from Pier 3. It will also provide for preserving and extending the life of this pier, as well as enabling the development of the adjacent Piers 1 ½ - 5 Mixed Use Preservation Project, for which proposals are due on August 31, 2000. Port staff therefore recommends that the Port Commission approve these lease amendments.

EXHIBITS

Exhibit A: Revised Site Plan – Piers 1 ½ - 5 Mixed Use Development Site
(Note: Parcels 2, D and F are currently a part of the premises of the existing Hornblower Lease.)

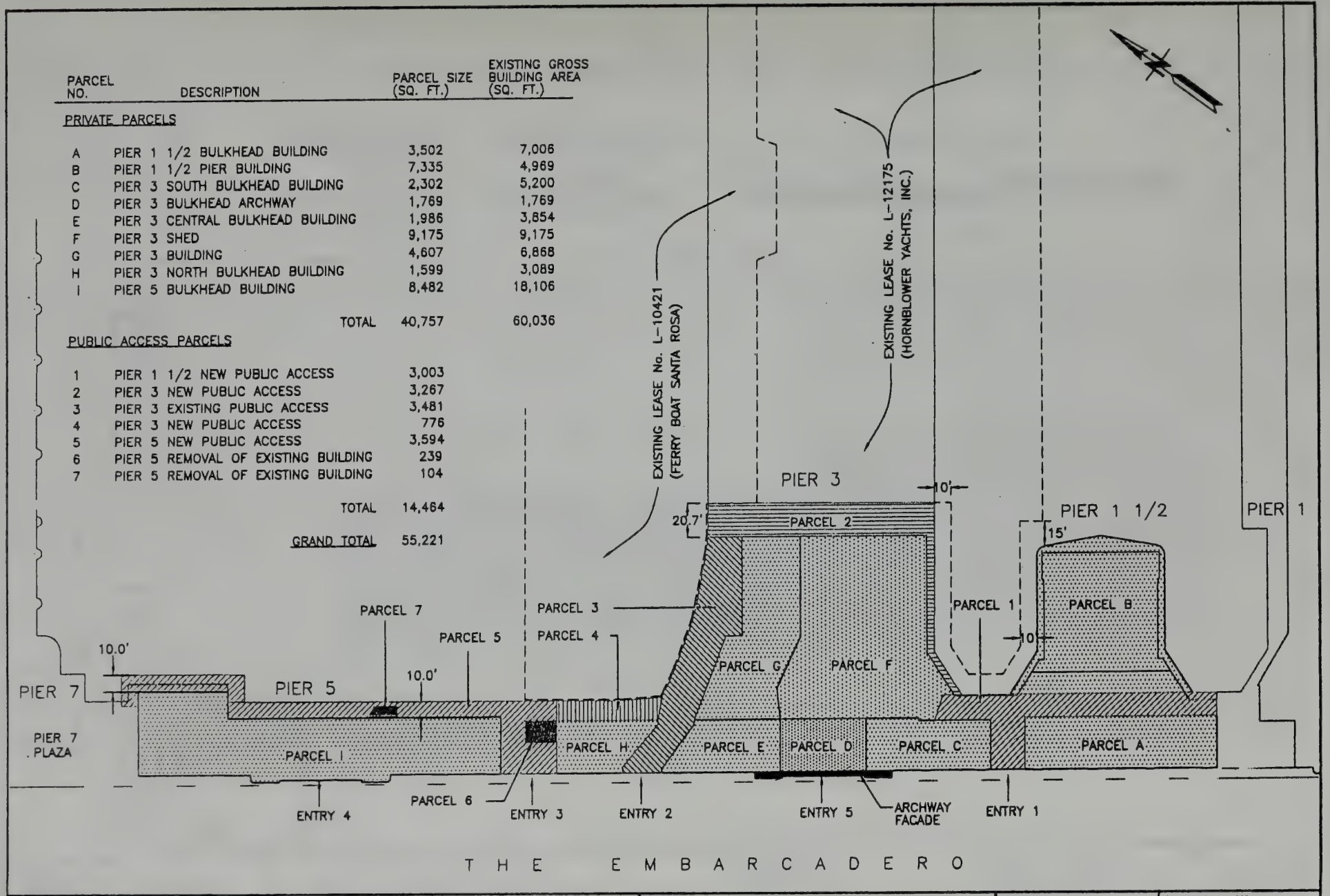
Exhibit B Revised Premises – Hornblower Lease No. L-12175

Exhibit C: Revised Premises – Santa Rosa Lease No. L-10421

Prepared by Kirk Bennett
Manager, Waterfront Development Projects

EXHIBIT A

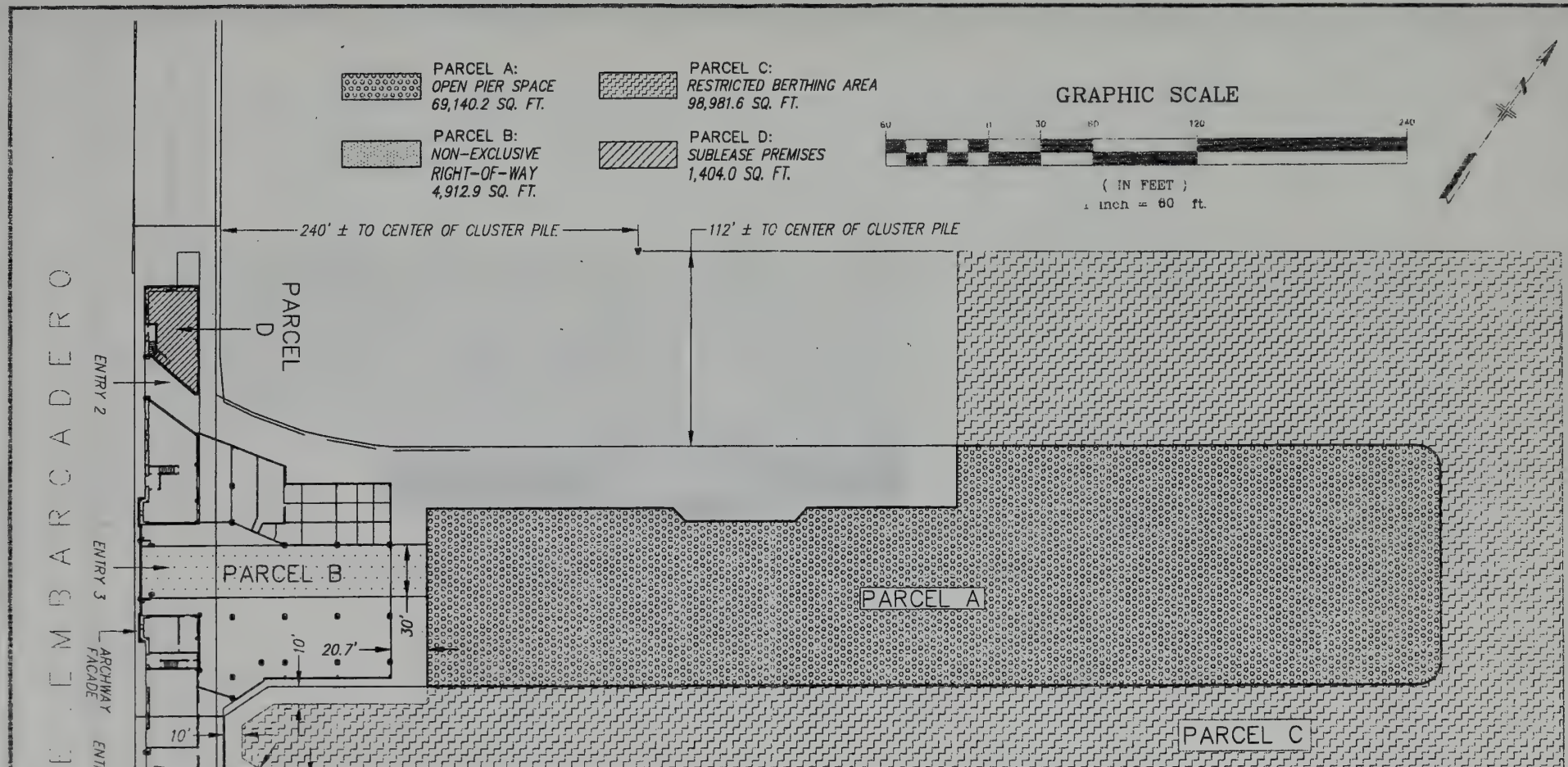
PARCEL NO.	DESCRIPTION	PARCEL SIZE (SQ. FT.)	EXISTING GROSS BUILDING AREA (SQ. FT.)
PRIVATE PARCELS			
A	PIER 1 1/2 BULKHEAD BUILDING	3,502	7,006
B	PIER 1 1/2 PIER BUILDING	7,335	4,969
C	PIER 3 SOUTH BULKHEAD BUILDING	2,302	5,200
D	PIER 3 BULKHEAD ARCHWAY	1,769	1,769
E	PIER 3 CENTRAL BULKHEAD BUILDING	1,986	3,854
F	PIER 3 SHED	9,175	9,175
G	PIER 3 BUILDING	4,607	6,868
H	PIER 3 NORTH BULKHEAD BUILDING	1,599	3,089
I	PIER 5 BULKHEAD BUILDING	8,482	18,106
	TOTAL	40,757	60,036
PUBLIC ACCESS PARCELS			
1	PIER 1 1/2 NEW PUBLIC ACCESS	3,003	
2	PIER 3 NEW PUBLIC ACCESS	3,267	
3	PIER 3 EXISTING PUBLIC ACCESS	3,481	
4	PIER 3 NEW PUBLIC ACCESS	776	
5	PIER 5 NEW PUBLIC ACCESS	3,594	
6	PIER 5 REMOVAL OF EXISTING BUILDING	239	
7	PIER 5 REMOVAL OF EXISTING BUILDING	104	
	TOTAL	14,464	
	GRAND TOTAL	55,221	



APPROVED BY SAN FRANCISCO PORT COMMISSION DATE _____ CHIEF HARBOR ENGINEER	SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	DEVELOPMENT SITE SITE PLAN (REVISED)

DRAWN BY: ECC	DATE: JUN 21, 2000
CHECKED BY: EB/KB	SCALE: NONE
DRAWING NO.	SHEET NO. 1 OF 3 SHEETS

EXHIBIT B



APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

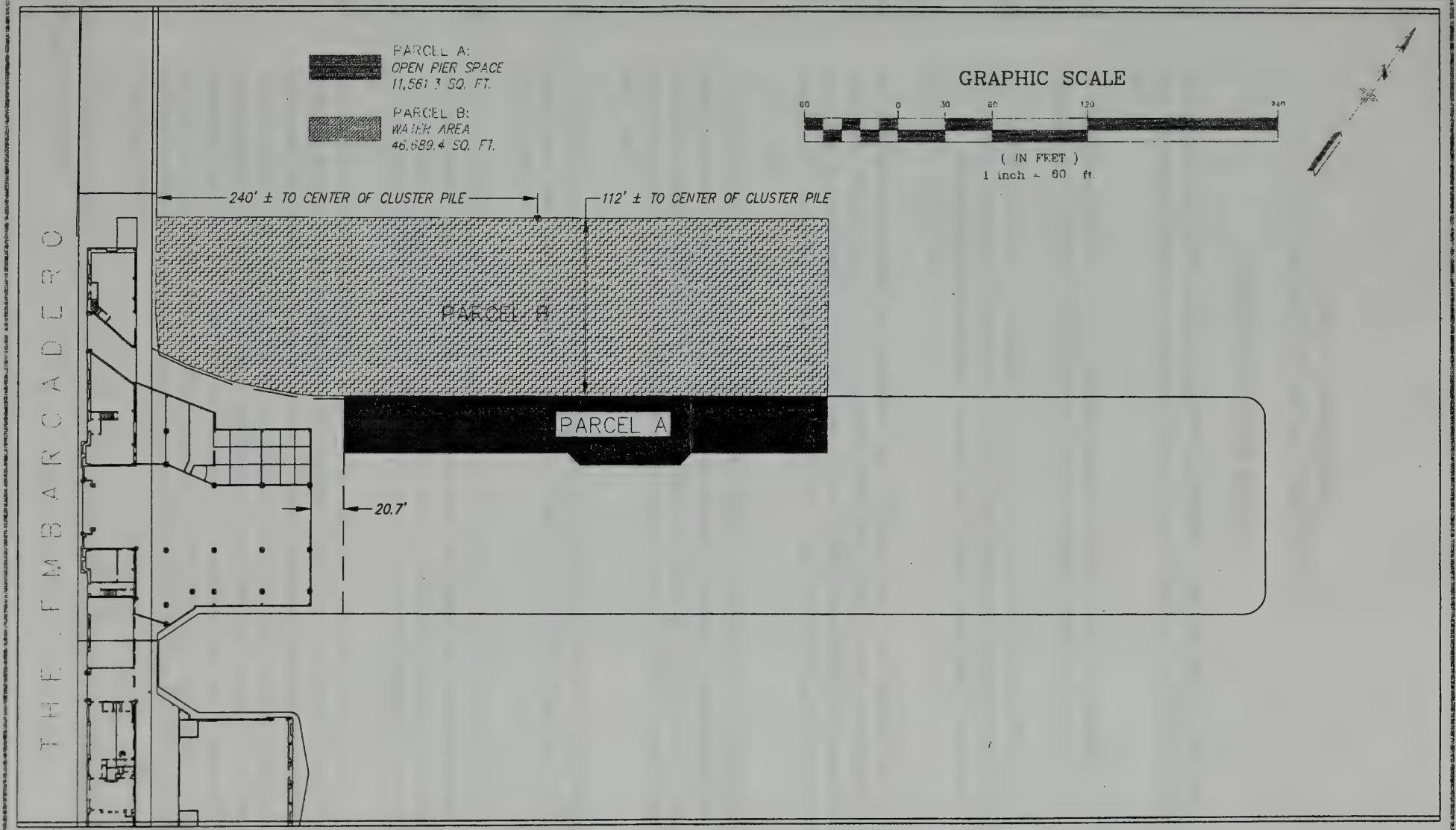
CHIEF HARBOR ENGINEER

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

PIER 3
HORNBLOWER YACHTS, INC.
LEASE No. L-12175

DESIGNED BY: K. BENNETT		CHECKED BY	
DRAWN BY: AMN/ECC		DATE:	21JUL2000
DATA FILE:		SCALE:	1" = 60'
DRAWING NO. P3_LEASE.DWG		SHEET NO. 1 OF 1 SHEETS	

EXHIBIT C



APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____
CHIEF HARBOR ENGINEER

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

PIER 3
FERRY BOAT SANTA ROSA
LEASE No. L-10421

DESIGNED BY: K. BENNETT	CHECKED BY
DRAWN BY: AMN	DATE: 17 JUL 2000
DATA FILE:	SCALE: 1" = 60'
DRAWING NO. P3_LEASE.DWG	SHEET NO. 1 OF 1 SHEETS

INITIALS: PORT ___ TENANT ___

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-67

WHEREAS, Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, Under Charter Section B3.581(g) leases granted and made by the Port should be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the Port Commission by Resolution No. 97-96 approved Lease No. L-12175 with Hornblower Yachts, Inc. ("Hornblower Lease") and approved an amendment to Lease No. L-10421 with Ferryboat Santa Rosa Partners, Ltd. ("Santa Rosa Lease") for certain premises on Pier 3; and

WHEREAS, Port staff has determined that the substructure of the marginal wharf comprising a portion of the Hornblower Lease premises requires immediate repair and the substructure of the pier under the remainder of the Hornblower Lease premises and under the Santa Rosa Lease premises also need to be repaired within the next 12 years (the existing term of these leases); and

WHEREAS, The configurations of the premises for the Hornblower Lease and for the Santa Rosa Lease make it extremely difficult to make the seismic upgrades necessary to undertake the development pursuant to the Piers 1 ½ - 5 Mixed Use Preservation Project RFP, whose issuance was authorized by the Port Commission on February 8, 2000 by Resolution No. 00-07; and

WHEREAS, Port staff has reached agreement with the tenants under the Hornblower Lease and the Santa Rosa Lease on amendments to the respective leases to address these new issues; now therefore be it

RESOLVED, that the Port Commission hereby approves the amendments to the Hornblower Lease and to the Santa Rosa Lease which incorporate the business terms set forth in the Memorandum to the Port Commission for Agenda Item 8B for the Port Commission Meeting on August 15, 2000 in substantially the form on file with the Port Commission Secretary; and be it further

RESOLVED, that the Port Commission authorizes and directs the Port Executive Director, or his designee, to enter into any additions, amendments or modifications to the Hornblower Lease and the Santa Rosa Lease (including without limitation, preparation and attachment of, or changes to any or all of the exhibits to said leases) that the Executive Director, in consultation with the City Attorney, determines to be in the best interest of the Port and are necessary or advisable to complete the transactions which the proposed amendments contemplate and effectuate the purpose and intend of this resolution, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of said lease amendments.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of August 15, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

August 8, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of Amendments to the Request for Proposals for the Development and Lease of Piers 27-31 for a Mixed-Use Recreation Project (Resolution No.00-68)

DIRECTOR'S RECOMMENDATION: APPROVE AMENDMENTS

BACKGROUND

Piers 27-31 are located on the Northeast Waterfront fronting on The Embarcadero at Battery and Sansome Streets, and this complex of piers, which includes Piers 27, 29, 29 ½ and 31 ("Site") is approximately 19 acres in size. The Site is shown on the attached Exhibit A.

On September 21, 2000, the Port Commission by Resolution No. 99-72 authorized and directed Port staff to issue a Request for Proposals for a Mixed Use Recreation Project on Piers 27-31. By this resolution, the Port Commission also approved the project's mission statement and development concept (including planning, open space, design and financial objectives, and use restrictions), as well as the key lease terms and the selection process. The approved mission statement and development concept incorporated the recommendations of the Northeast Waterfront Advisory Group, whose current members are listed on Exhibit B. The RFP was issued on November 12, 1999.

On December 8, 1999, the RFP was suspended due to the pending public review of proposed amendments to the policies and plans of the San Francisco Bay Conservation and Development Commission (BCDC). In adopting its Waterfront Land Use Plan in 1997, the Port had recognized

that many of BCDC's policies then in effect conflicted with the polices of the Port's Waterfront Land Use Plan, and therefore commenced a planning process with BCDC to make these policies consistent. A key issue that emerged through this planning effort which directly affected the RFP involved the creation of a major plaza at Pier 27 – the Northeast Wharf Plaza. The design parameters sought by BCDC for the Northeast Wharf Plaza differed significantly from the open space objectives stated in the RFP. The RFP was therefore suspended while the Port and BCDC completed the planning process to resolve these differences.

The Port and BCDC formed a joint San Francisco Waterfront Planning Committee, which held hearings, plus a design workshop, during January through April, 2000. On May 9, 2000, the two commissions held a joint meeting, at which they directed their respective staffs to produce draft amendments to BCDC's Bay Plan, San Francisco Waterfront Special Area Plan and Total Design Plan, and the Port's Waterfront Land Use Plan. On July 20, 2000, the two commissions again held a joint meeting, at which BCDC unanimously approved recommended amendments to its plans and the Port Commission unanimously approved recommended amendments to its Waterfront Land Use Plan.

At its June 28 and August 2, 2000 meetings, the Northeast Waterfront Advisory Group reviewed the mission statement and development concept for the RFP in light of the hearings and amendments to the BCDC plans and the Port's Waterfront Land Use Plan. A consensus was reached concerning amendments needed to the mission statement and development concept, except the advisory group did express concern regarding the phasing of improvements to the Northeast Wharf Plaza, which is inherent in the implementation phasing negotiated in the approved amendments to the BCDC plans. The mission statement and development concept reviewed with the advisory group is presented below, except that open space objective 2 has been further modified to reflect the advisory group's concerns regarding phasing of the Northeast Wharf Plaza. The revised mission statement and development concept also reflects the recommendation of the Port's Maritime Commerce Advisory Committee that the outer 900 feet of the Pier 27 berth be retained for temporary ceremonial ship berthing and for "port of call" cruise ship berthing. (Additions to the mission statement and development concept contained in the RFP are indicated with underlines, and deletions with ~~strike-outs~~.)

MISSION STATEMENT

The Port's primary goal for this development opportunity is represented by its Mission Statement, which reads:

> The goal of this development is to create a unique and inviting waterfront mixed-use Recreation Project, integrating a varied mix of maritime and commercial uses and open space, including a major public plaza, oriented around active recreational pursuits. This mixed-use Recreation Project will provide a venue for all San Franciscans and Bay Area residents to actively participate, individually or as groups, in diverse amateur recreational sports, physical fitness and related activities while enjoying the Recreation Project's scenic waterfront setting. The major public open space, the Northeast Wharf Plaza, will be a city and regional resource. The plaza and the other open spaces included in the Recreation Project will create opportunities for engaging in and viewing active recreational activities while enjoying expansive Bay views. New

opportunities for recreational boating and other water uses will be created, and maritime berthing compatible with the adjacent new uses at Pier 27 will continue, including temporary ceremonial ship berthing and "port of call" cruise ship berthing.

The Recreation Project will have a quality design that is authentic to the rich historic maritime industrial character of the Northeast Waterfront. The Recreation Project will be designed to respect this character, to create a focal point for new activity on the Northeast Waterfront, and to maximize public access to and enjoyment of the Recreation Project's spectacular waterfront setting.

DEVELOPMENT CONCEPT

Planning Objectives

1. Create a mixed-use Recreation Project with an integrated mix of maritime, commercial, open space and public access uses, which help to unite the waterfront with the rest of the City. The Northeast Wharf Plaza and other open space and public access areas will be part of a larger system of interconnected parks and open spaces along the Northeast Waterfront. The open space and public access elements developed for Pier 27-31 should significantly expand and help to integrate the Site into this chain of parks and open spaces.

2. Provide publicly-oriented commercial recreation uses that appeal to residents of the City and the Bay Area. Include recreational boating, excursion boats, water taxis, historic and ceremonial ship berthing and other maritime uses to the maximum feasible extent.

3. Provide a mix of uses that reflect the cultural diversity of the City and the Bay Area, and appeal to the local and regional population, thereby providing entertainment and commercial recreation venues distinctly different from the more tourist-oriented activities found at Fisherman's Wharf.

4. Provide uses that respond to the needs and interests of the diverse cultural community of the City and the Bay Area, especially seniors, children, people with disabilities and other groups with special needs. Provide a mix of recreational uses that appeal to a variety of age groups and are accessible to people of different income levels in the City and the Bay Area.

5. Activate the Northeast Waterfront with an array of uses which establish a daytime and nighttime presence, but are not primarily tourist-oriented. Any exterior lighting and exterior amplified sound should be limited to levels and times that do not disturb nearby residential areas.

6. Provide a venue for amateur individual and group recreational activities. Provide appropriately-designed facilities to support recreational and sports-related activities. Provide services to support personal fitness, individual sports and amateur athletes, and provide ancillary facilities for tournaments, meets, public gatherings, etc.

7. Provide facilities for a wide variety of active recreational activities. Facilities for skateboarders and rollerbladers and for swimming and related aquatic sports are encouraged.

8. Maximize use of the Pier 27 berth for temporary maritime berthing compatible with active recreation and open space uses, such as ceremonial berthing, water transportation (including ferries and water taxis), and excursion boats. The outer approximately 900 feet of the Pier 27 berth shall be available for short term "port of call" cruise ship and transient ceremonial ship berthing (requirements for such ship berthing are discussed in the Minutes from the June 28, 2000 and August 2, 2000 Advisory Committee meetings).

9. Provide pay-as-you go and drop-in use of facilities to the maximum extent feasible. Clubs with exclusive memberships (i.e., members must be voted in) are not allowed. Clubs that charge membership fees are allowed as a component of the Recreation Project, but pay-as-you go use of such facilities or other measures to allow occasional club use must be offered to the maximum feasible extent. Provision of activities that are free and open to the public is encouraged.

10. Arrange and design uses on the Site to maximize public appreciation and enjoyment of the waterfront setting by offering new viewing opportunities, and to maximize visual connections and physical contact with the water.

11. Promote the use of public transit as a primary mode of transportation. Minimize the intensity of automobile activity by minimizing on-site parking, and maximize the use of new and existing off-site parking facilities, consistent with the needs of the Recreation Project, by implementing the following:

    (a) Establish shared parking with nearby parking facilities, and with non-Port parking operations in adjacent areas, which are conveniently located to serve daytime, evening and weekend activities at the Site.

    (b) Promote improvements to both public and private transit to the Site by providing shuttle service between the Site and parking facilities as well as downtown, by participating in any water transportation services that the Port may provide or promote in the future, and by coordinating with MUNI to improve transit service to the Site.

    (c) Limit on-site parking facilities to approximately 350 short-term parking spaces for use by customers and visitors to the Recreation Project.

    (d) Promote ride-sharing and the use of public transit through the sale of transit passes, provision of van pool/car pool parking spaces, and joint promotional campaigns with transit providers.

    (e) Provide parking information and signage systems to direct visitors to public transit stops and to nearby underutilized parking locations.

    (f) Implement a Transportation Demand Management Program to reduce the number of private automobile trips to the Site and to bring about an overall reduction in automobile dependency through education, assistance and incentives.

Open Space Objectives

In the following Open Space Objectives, "open space" is defined as any interior or exterior space that is open to the public. It is not limited to only space that is open to the sky.

The Site should have a variety of open spaces that attract visitors to the waterfront and enable visitors to benefit from the activity and interest the proposed Recreation Project provides. These open spaces should include the "Northeast Wharf Plaza" to be located adjacent to The Embarcadero on Pier 27, which should be designed to function as a major exterior open space resource for residents and workers of San Francisco as well as the region. ~~The Northeast Wharf Plaza should connect the valley area between the sheds on Piers 27 – 29 and the perimeter pier aprons.~~ The east end of Piers 27 - 29 should offer a major open space that is inviting and takes full advantage of the spectacular views afforded by the great reach of these piers into the Bay.

These open spaces must meet the following objectives:

1. Open Space Network - Provide a network of lively, usable open spaces, both indoor and outdoor, ranging from intimate to large-scale. These open spaces should be oriented to on-Site and on-Bay recreational activities, both active and passive, and provide Bay vistas. Direct access to the water should be provided. This open space network, including the Northeast Wharf Plaza and adjoining open space, the perimeter aprons and pier ends, the valley between Piers 27 – 29, the Bayside History Walk and other open space through and within buildings, should comprise at least 35% ~~or more~~ of the Site.

2. The Northeast Wharf Plaza shall be approximately two acres and incorporate the footprint of the southerly portion of the Pier 27 shed, the adjoining pier apron and the adjacent area along The Embarcadero. Its design shall be consistent with the Port Waterfront Land Use Plan and BCDC Special Area Plan criteria. This southerly portion of the pier shed must be removed and the Northeast Wharf Plaza area made accessible and useable by the public prior to the Port issuing a certificate of occupancy for the Recreation Project.

   The Northeast Wharf Plaza is envisioned as an attraction its own right, providing substantial public amenities independent of the Recreation Project, with commercial interaction at its edges as described below and in Open Space Objective 8. The developer shall maintain this Northeast Wharf Plaza for the benefit of the general public.

   Respondents should submit an initial design concept for this Northeast Wharf Plaza, recognizing, however, that owing to its public importance there will be a planning process including the Port Commission, the City's Waterfront Design Advisory Group, BCDC and its Design Review Board, and community representatives, including but not limited to the Northeast Waterfront Advisory Group and Save San Francisco Bay Association, to refine the concept and settle upon a final design which provides for phased implementation linked to available funding. It is important that the Northeast Wharf Plaza and the Recreation Project, both intended as City and regional resources, be integrated to work together and maximize overall Site utility. The developer will be responsible for constructing the initial phase of the Northeast Wharf Plaza, for which the Port will make available rent credits of up to 50% of the base rent for the first three years as its contribution. The Port is responsible for funding the remaining improvements within a 15 to 20 year time frame as set forth in the BCDC

Special Area Plan and the Port's Waterfront Plan. However, it is highly desirable to complete the Northeast Wharf Plaza as soon as possible, and the Port will work together with the developer to creatively find the means to secure funding through other sources including pursuit of all available grants.

Approximately 15,000 square foot of the Northeast Wharf Plaza immediately south of the remaining portion of the Pier 27 shed may be used by the developer for commercial outdoor recreation activities, provided that the commercial use serves an important active recreation need of the residents of San Francisco and the Bay region and meets the criteria set forth in the BCDC Special Area Plan for this area. These criteria include:

- complementing or enhancing the public use and enjoyment of the Northeast Wharf Plaza and its function as a public park
- preparing an outdoor area use plan and annual outdoor area use program;
- integrating structures and fixtures into the overall design so that they contribute to the public enjoyment of the area, when made available for general public use, and do not impair or obstruct views to the Bay from The Embarcadero or from other vantage points within Northeast Wharf Plaza;
- removing any temporary structures or fixtures used as part of the commercial activity as soon as the activity ceases;
- not erecting barriers to prevent cost-free, public access to the area when commercial activities are not occurring;
- not storing temporary structures, fixtures or apparatus serving the commercial use; and
- setting aside significant periods of time during the year when no commercial activity occurs within the designated area, during which time the area functions solely as part of the larger Northeast Wharf Plaza.

3. Views - Provide vistas from The Embarcadero across the Northeast Wharf Plaza to the Bay. Remove ~~a~~ the southernmost portion of the Pier 27 shed fronting on The Embarcadero (approximately 225' on the west side and 385' on the east) and the Pier 27 Annex Building (the two-story modern office building) to open up views from The Embarcadero~~/Lombard/Battery intersection~~. In addition, provide open space around the Beltline Railroad Office Annex (the two-story Mediterranean-style historic building) if it remains in its present location, and maintain unobstructed views from the Annex across the Plaza to the Bay. The Northeast Wharf Plaza and open space area should be approximately 420 feet along the pier apron to the east and 630 feet along The Embarcadero.

Provide open spaces on all pier aprons to provide both circulation and views of the Bay and the City, recognizing that maritime berthing activities may interrupt views. Provide an inviting open space at the end of Piers 27 – 29, taking full advantage of its great extension into the Bay and the views to Yerba Buena and Treasure Islands, the Bay Bridge and the

East Bay Hills. Take advantage of opportunities to create framed views through buildings to the Bay and beyond.

4. Orientation - Orient new development on Piers 27 – 31 toward The Embarcadero. Acknowledge the terminus of Lombard Street with a framed view of the Bay, or with a prominent architectural or sculptural element that adds to the identity of the Northeast Wharf Plaza.

5. Transparency - Enhance connections between indoor and outdoor spaces by maximizing the transparency of building walls. Provide views into and through the ground floor, consistent with the architectural character and use of the sheds.

6. Circulation - Create pedestrian passageways through and between buildings, linking the Northeast Wharf Plaza, open spaces in the valley of Piers 27 - 29, interior public walkway open spaces, and perimeter open spaces around Piers 27 – 31. Make connections from the Northeast Wharf Plaza and open spaces throughout the Site. Locate vehicular and service access to the Site outside ~~of~~ the two-acre Northeast Wharf Plaza, except as needed to service vessels berthed along the pier aprons, recognizing that maritime berthing may interrupt circulation.

7. Design Quality - The design of the Northeast Wharf Plaza and other open spaces should be authentic to the maritime industrial character of the waterfront. Strong and bold materials should be used to make the open spaces compatible with the scale and character of the sheds and bulkhead buildings. Consider minor grade changes which (a) ~~to~~ create a transition from Herb Caen Way to the Northeast Wharf Plaza and open spaces in the valley of Piers 27 – 29 ~~as a means of~~ to add~~ing~~ interest within subareas and accommodat~~inge~~ different activities, and (b) provide a range of levels at the water's edge to expand opportunities to experience San Francisco Bay.

8. Interaction between Commercial Uses and Open Space - Allow adjacent commercial uses (e.g., active uses such as shops, cafes, boat and skate rentals) to spill into and activate the Northeast Wharf Plaza and other open spaces, providing interest and enjoyment for users. These uses should not hinder public access to the open spaces. (Levi's Plaza, located between Battery and Sansome Streets, is an example of the scale, urban character and interaction with surrounding uses sought for the Northeast Wharf Plaza.)

   The Northeast Wharf Plaza and other open spaces should include opportunities for both passive and active recreation. Active recreational uses should be particularly encouraged in the Northeast Wharf Plaza.

   Allow uses and elements consistent with open spaces including, but not limited to open space features (e.g., fountains, small amphitheater, sheltered areas for activities such as chess and checkers, furnishings, public restrooms, public art, small kiosks, food carts and cafe seating) which are incidental to and enliven public recreation and enjoyment of the open spaces.

Allow periodic high-intensity uses and events in the Northeast Wharf Plaza and other open spaces ~~in~~ on the ~~valley of Piers 27 – 29~~ Site that provide an authentic and very accessible destination for the public.

9. Microclimate Conditions - Design open spaces to maximize sun exposure, while also providing wind protection and noise buffering.

10. Design For Security - Design the Northeast Wharf Plaza and other open spaces to avoid concealed areas. Include adequate lighting for security and encourage visibility by integrating public open spaces with adjacent commercial uses.

11. Durability & Maintenance - Design open space areas for permanence, waterfront conditions and a high level of public use. These open spaces should be designed to be easily maintainable and a clearly-defined maintenance program and standards for all open spaces must be established.

Design Objectives

1. Meet the Port's design guidelines set forth in the Waterfront Plan's Waterfront Design and Access Element, as well as policies in the Northeastern Waterfront Plan and pertinent Elements of San Francisco's General Plan.

2. Seismically retrofit and rehabilitate the facilities on the Site to current fire, safety, and building code standards.

3. Design the development to reflect its unique waterfront location with building forms and detailing that express the maritime and industrial character of the Northeast Waterfront.

4. Design the architecture of the Recreation Project in a manner that is sensitive to and enhances the rich historic industrial maritime character embodied in significant Port structures along The Embarcadero and the nearby Northeast Waterfront Historic District.

5. Retain, rehabilitate and reuse the historic bulkhead buildings and sheds at Piers 29 and 31, as well as the Pier 29½ connector building and the Pier 29 Beltline Railroad Office Annex Building, consistent with *The Secretary of the Interior Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* ("Secretary's Standards"). ~~Rehabilitation of the Pier 29 and 31 sheds consistent with the Secretary's Standards is strongly encouraged.~~ The Port plans to nominate the area between Pier 45 to the north and Pier 48 to the south, including these historic buildings on the Site, as an ~~is interested in listing these buildings on the~~ National Register ~~of Historic Places, either individually or as a potential h~~Historic ~~d~~District, and would expect the collaboration of the developer in ~~such an~~ this effort.

6. Design new developments to complement and not detract from adjacent historic bulkhead buildings.

7. Design exterior signage to be compatible with the character of the Northeast Waterfront.

8. Preserve a building edge at or as near to The Embarcadero as possible where new structures are located in the valley of Piers 27 – 29, but without obstructing the view corridor between the Beltline Railroad Office Annex and the Bay. Use strong and bold building forms and detailing in new structures to reinforce the large scale of the Piers 29 – 35 bulkhead buildings. Plant materials should be provided consistent with The Embarcadero's landscape treatments. Landscaping should be designed and located to acknowledge the Site being on a pier over open water. If new buildings are constructed in the valley of Piers 27 – 29, their massing and configuration should enhance the street wall provided by bulkhead buildings along The Embarcadero.

9. Arrange and design on-Site parking facilities so that they are either enclosed or otherwise screened from view from The Embarcadero and the Bay, and so that they do not interfere with open space areas.

10. Arrange and design vehicle access to the Site so that it does not generate significant new traffic congestion on The Embarcadero, or queuing along The Embarcadero.

11. Reflecting the Port's commitment to equal opportunity in public contracting, the selected developer will be required to demonstrate its good faith efforts to make contracting opportunities in connection with the design and development of the Recreation Project available to economically disadvantaged minority and women-owned businesses.

Financial Objectives

1. Consistent with the Planning, Open Space, and Design Objectives, maximize the Port's revenue from the Site over the lease term to help the Port meet its Public Trust objectives of supporting maritime industries, providing public-oriented activities, environmental and open space improvements on the waterfront, and maintaining Port facilities. The developer must:

   (a) Guarantee a fair market monthly base rent, taking into consideration the public benefits being provided as part of the Recreation Project.

   (b) Pay percentage rent to the Port calculated on the gross receipts of the Recreation Project.

   (c) Pay rent to the Port during the Recreation Project's construction.

   (d) Pay the Port a share of the net proceeds that the developer receives from the sale, refinance, or transfer of the leasehold.

   All rent must be net to the Port, with the developer being responsible for all operating expenses for the Recreation Project and the Site, including open spaces.

2. The developer will be required to make substantial capital improvements to the Site for the development of the Recreation Project, including upgrades to code, seismic improvements to the substructure and structures of the piers, historic preservation, hazardous materials abatement, removal of a portion of the Pier 27 shed and the Pier 27 Office Annex and open space amenities, including the initial phase of improvements to the Northeast Wharf Plaza.

3. The developer will be required to assume all the financial risks of the development, construction, maintenance/repairs, and operation of the Recreation Project.

Uses

The Port, through the Advisory Group process, considered many possible uses and has developed the following list categorizing the uses considered. *Required Uses* must be included in the Recreation Project. *Encouraged Uses* are desirable but not mandatory, *Permitted Uses* are allowed, and *Uses Not Permitted* are not allowed. The categories of uses include the uses indicated in the Glossary of Terms in the Port's Waterfront Land Use Plan. Note that not all uses listed below are consistent with the Waterfront Land Use Plan, as the Advisory Group Site review process led to proposed amendments to the Plan.

Required Uses

Recreational Enterprises

Recreational Boating & Water Use

Open Space

Public Access

Temporary and Ceremonial Berthing (along northerly 900 feet of Pier 27)

Encouraged Uses

~~Temporary and Ceremonial Berthing~~

Water Taxis

Permitted Uses (Ancillary to Required and Encouraged Uses)

Maritime Uses

Ferry and Excursion Boats

Historic Ships

Maritime Office

Maritime Support Services

Passenger Cruise Ships

Temporary and Ceremonial Berthing (Piers 29-31)

Other Uses

Transportation Services (limited to those that serve the Recreation Project)

Commercial

Assembly and Entertainment

General Office

Museums

Parking

Retail (including Restaurants)

Community Facilities

Visitor Services

Uses Not Permitted

Maritime	Commercial
Cargo Shipping	Artists/Designers
Fishing Industry	Hotels
Ship Repair	Sports Facilities (Arenas and ballparks for professional sports teams)
Residential	Warehousing/ Storage
Other Uses	Wholesale Trade/ Promotion Center
Academic Institutions	
General Industry	
Power Plant	

Other non-maritime new uses prohibited by the Waterfront Plan include Non-Maritime Private Clubs, Residential, Adult Entertainment, Non-Marine Animal Services, Mortuaries, Heliports, Oil Refineries, Mini-Storage Warehouses, Hotels and Large Sports Facilities.

KEY LEASE TERMS

Port staff proposes the following changes to the key lease terms of the RFP.

1. Base Rent to the Port - Monthly Base Rent will be negotiated with Port staff based on the proposal submitted by the developer. Reflecting an analysis conducted by John C. Clifford, MAI of the potential impact of the expanded Northeast Wharf Plaza required by the amendments to BCDC's and the Port's plans, the Port's expectation for the first year of stabilized operation is annual Base Rent of at least $1,400,000, as compared to $1,500,000 indicated in the RFP. Nevertheless, respondents are encouraged to propose a higher Base Rent. The Base Rent will be subject to periodic cost of living or other adjustments to be negotiated with Port staff based on the proposal submitted by the developer, but such adjustments shall not be less than annual cost of living increases.

2. Improvements – As stated in the RFP, all capital improvements to the Site shall be at the sole cost of the developer, except for the open space improvements to the Northeast Wharf Plaza. The developer will undertake the initial phase of improvements to the Northeast Wharf Plaza, and the Port will allow the developer to amortize the costs of these initial improvements to the Northeast Wharf Plaza against 50% of the Base Rent due the Port during the first three years of the lease term. Any subsequent improvements to the Northeast Wharf Plaza will be undertaken and funded by the Port.

Other Key Lease Terms will remain as stated in the RFP. The terms of the lease will be negotiated by Port staff based upon the terms proposed by the selected respondent and will be subject to final approval by the Port Commission and the Board of Supervisors.

SCHEDULE

If the proposed amendments to the RFP are approved by the Port Commission, Port staff intends to publish the amended RFP by August 31, 2000. A second Pre-submittal Conference is

tentatively scheduled for September 13, 2000. At the time the RFP was suspended, the potential respondents were advised that the Port anticipated the new deadline for submittals would be reset to allow an additional length of time at least equal to the time period between the date the RFP was suspended and the original submittal date, which equaled 96 days. Accordingly, the new submittal date for the amended RFP would be December 5, 2000, which is 96 days from August 31, 2000.

RECOMMENDATION

Port staff recommends that the Port Commission approve the amendments to the RFP as outlined above in this memorandum.

Prepared by: Kirk Bennett
Manager, Waterfront Development Projects

PORT COMMISSION

CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-68

WHEREAS, Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, The Port Commission on September 21, 2000 by Resolution 99-72 authorized and directed Port staff to issue a Request for Proposals for a Mixed Use Recreation Project on Piers 27-31 ("RFP"), and Port staff issued the RFP on November 12, 1999; and

WHEREAS, The RFP was suspended on December 8, 1999 due to the pending public review of proposed amendments to the policies and plans of the San Francisco Bay Conservation and Development Commission ("BCDC"); and

WHEREAS, Following this public review, on July 20, 2000, BCDC approved amendments to its plans, and the Port Commission by Resolution No. 00-62 approved amendments to the Port's Waterfront Land Use Plan; and

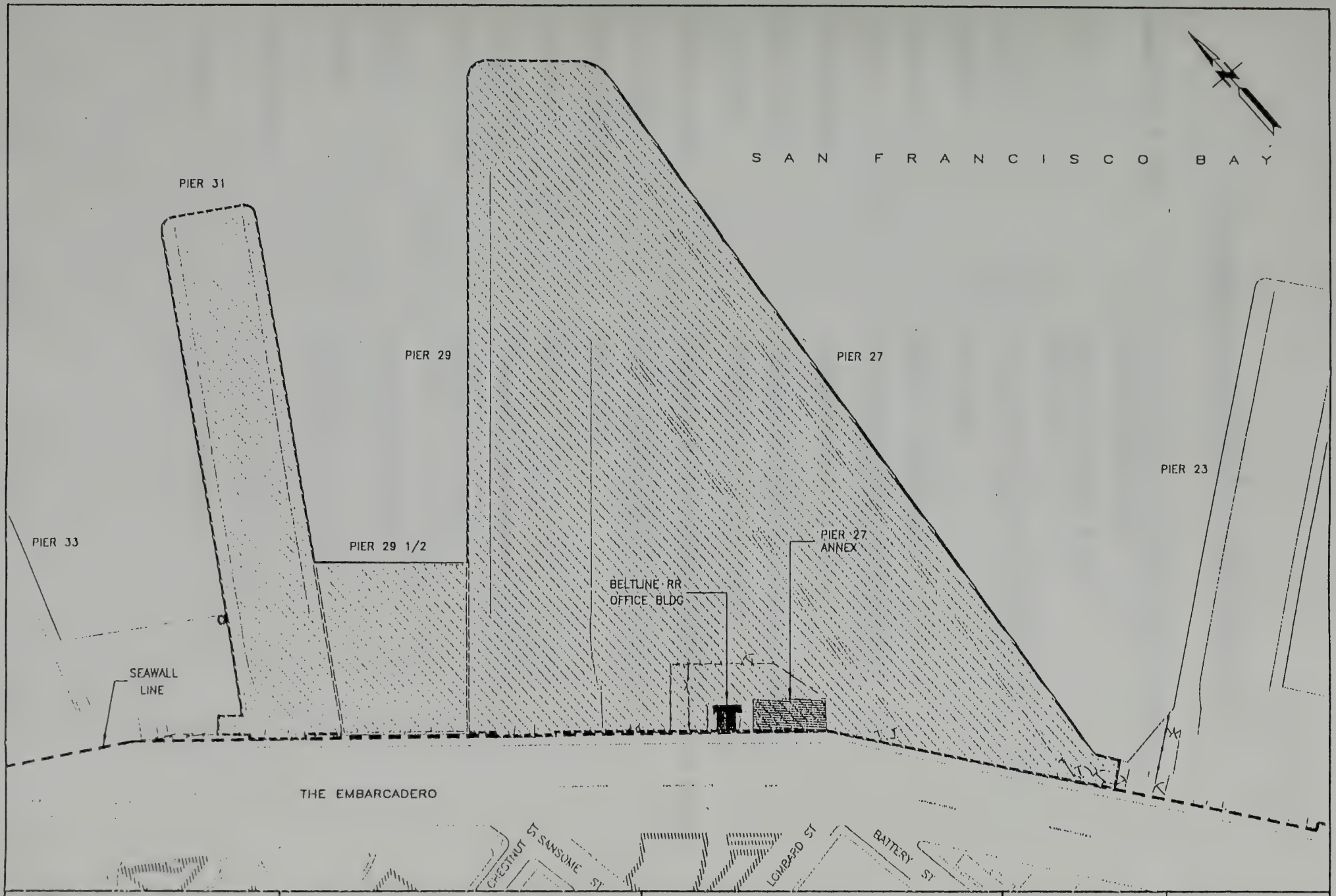
WHEREAS, Port staff has received input and guidance from the Northeast Waterfront Advisory Group and from the Maritime Commerce Advisory Group on amendments to the mission statement and the development concept for the amended RFP; now therefore, be it

RESOLVED, That the Port Commission hereby approves amendments to the RFP as set forth in the memorandum to the Port Commission for Item No. 8C of the Port Commission's August 15, 2000 meeting, a copy of which is on file with the Port Commission Secretary.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of August 15, 2000.

_____

Secretary



APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

SAN FRANCISCO PORT COMMISSION
PORT OF SAN FRANCISCO
DEPARTMENT OF ENGINEERING

EXHIBIT A
PIERS 27–31 SITE PLAN

DRAWN BY: EDC	DATE: OCT 1, 1999
CHECKED BY	SCALE: NONE
DRAWING NO.	SHEET NO. --

EXIBIT B
NORTHEAST WATERFRONT ADVISORY GROUP

Anne Halsted, Chair	Former President, San Francisco Port Commission Former President, SPUR
Carlos Afre	You & Leisure Tours & Travel Pier 27 Annex
Greg Asay	Telegraph Hill Neighborhood Center
John Blum	101 Lombard
Jennifer Clary	San Francisco Tomorrow
Alex Corns	San Francisco Building Trades Council
Michael Franklin	General Manager, Levi Plaza
Jasmine Kaw	Chinatown Community Development Center
Toby Levine	Waterfront Plan Advisory Board
Eva Liebermann	Former San Francisco Planning Department urban designer
Carrie Ludwig	Interested citizen (formerly Golden Gateway)
Flicka McGurrin	Pier 23 Café
Cathy Merrill	SPUR
Stewart Morton	Russian Hill Improvement Association
Garrett O'Doherty	Pacific Marine Yachts Pier 39
Nan Roth	Telegraph Hill Dwellers
Paul Stein	SKS Investment Francisco Bay Office Park
Kevin Westlye	Franciscan Restaurant Fisherman's Wharf Association
Joe Wyman	Hornblower Yachts, Inc. Pier 31½

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SAN FRANCISCO PORT COMMISSION

AUGUST 15, 2000 MINUTES
OF THE SPECIAL MEETING

MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
4:00 P.M., TUESDAY, AUGUST 15, 2000

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 4:10 p.m. The following Commissioners were present: Kimberly Brandon, Brian McWilliams, Denise McCarthy, Michael Hardeman and Pius Lee.

2. APPROVAL OF MINUTES - July 25, 2000 Regular & Special Meeting

ACTION: Commissioner McCarthy moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor. The minutes of the July 25, 2000 Regular & Special Meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report

1) New Ferry Landing at Pacific Bell Park: On Thursday, August 3, the second ferry landing at Pacific Bell Park was put into service. This location was used by the Golden Gate Ferry for its service from Larkspur and the Red & White Fleet service from Richmond. Both of these services have previously used the temporary landing at Pier 48. The new location was greeted by cheers from the ridership who appreciated being dropped off directly at the seal cove entrance to the ballpark providing them with door front service for the game. Recognition and kudos go to Alex Lee and the Port Maintenance staff and John Davey for all their work on the temporary landing which performed flawlessly and provided a landing for ferry service for the Giants 45 games.

2) ESPN's X-Games. The X-Games returns for a second year in San Francisco beginning August 17th. The X-Games are an exciting mix of competitive alternative sport events attracting up to 30,000 enthusiastic fans per day from around the country to watch competitors skate, street luge, bike, skysurf and wakeboard at venues around the bay. The majority of the X-Games will occur on Port property at Piers 30/32. The competition runs for more than a week and is broadcast on ESPN and ESPN 2. Fans of the X-Games are encouraged to take public transportation to the events which are conveniently located adjacent to MUNI's New E-Line service and a short walk from the Caltrain and downtown Bart stations. Public transportation to the X-Games is especially encouraged from August 18th through the 23rd as the Giants will be playing baseball at Pacific Bell Park on those dates.

Commissioner Lee inquired if Pier 30/32 is safe for the X-Games and whether it would be able to accommodate thousands of people. Mr. Alex Lee, Director of Facilities & Operations, replied that a building permit was issued prior to the start of the X-Games. Staff provided strict guidelines on the loading capacity of the pier. The pier is a concrete pier with a lot of structural integrity. It's not the best in shape but it's safe and would accommodate thousands of people. It could accommodate 250 lbs. per sq. ft.

4. CONSENT CALENDAR

A. Approval of Memorandum of Understanding with Department of Administrative Services, Solid Waste Management Program regarding the Port's Used Oil Recycling Program. (Resolution No. 00-69)

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 00-69 was adopted.

5. MARITIME

A. Approval of First Amendment of Lease L-12657 with Waste Solutions Group, a California Corporation for use of the Port's Intermodal Container Transfer Facility. (Resolution No. 00-58)

Ms. Jill Simpson, Maritime Marketing Manager, presented the item and requested Commission's approval. Ms. Simpson indicated that this proposal was presented to the SWAC group last night and received unanimous approval.

Commissioner McCarthy inquired about the assignment of lease. Mr. Gavrich replied that the intent was to assign the lease to the short line railroad, L.B. Railco, which has the same ownership, same stocks, same insurance as Waste Solutions Group in order to keep the railroad that is operating between the main line at Pier 80 consistent with the railroad operating inside the ICTF. This is not for the assignment but rather the flexibility to assign once the Commission is assured that the two corporations are consistent.

Legal Counsel Noreen Ambrose concurred with Mr. Gavrich's assessment. This agreement delegates to the Port Director authority to approve any assignment of this agreement once the documentation is received that the same corporate board structure, insurance, as well as a requirement that Waste Solutions stay on the agreement when there's an assignment to L.B. Railco. From the Port's perspective, there will be two corporations responsible for the lease. Both of which have essentially the same stockholders, the same insurance and the same corporate structure. The rail operation for L.B. Railco will be separate from Waste Solutions Group. If the Commission approve this lease on those terms, staff will work with the tenant, review the documentation and provided that the documentation meets the criteria, it would not be back to the Commission for approval. After the Commission approves the lease, the Executive Director has the authority to approve an assignment that meets those conditions.

Commissioner Brandon inquired about the total space for the yard, the amount of money derived from the equipment acquisition and the amount of money the Port would receive from this lease. Mr. Gavrich replied that the yard is approximately seven acres. The amount of money that will be derived from the equipment acquisition is contingent upon the extension of the lease but would probably be about $4 million. Ms. Simpson replied that the amount of money the Port will derive from this lease is based on the volume. Currently, the Port receives $15 per dry container and $45 per rail car. Once the lease extension commences in October 31, 2003, it would increase to $30 per dry container and tank container and $75 for rail cars. Mr. Gavrich added that the annual container would be approximately 5,000 per year and expects to increase 10% or 20% a year.

Commissioner Brandon indicated that this is a much-needed facility as it is in the middle of the cargo way opportunity area. The Port, in the future, might need this area to build a new shed space. Mr. Gavrich replied that he is aware of it and that the language is included in the lease.

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor; Resolution No. 00-58 was adopted.

6. REAL ESTATE

A. Approval of Additional Uses and Consent to Sublease between Crowley Maritime Services, Inc. and Miller Thompson Constructors, Inc. for Premises Located at Pier 54 (Terry Francois Boulevard) (Resolution No. 00-71)

Mr. Nic Dempsey, Commercial Leasing Manager, presented the item and requested Commission's approval.

Commissioner Brandon inquired about the two five-year options and the rent commencing March 1, 2001. Mr. Dempsey replied that Crowley still maintains those two options and Crowley will determine whether to exercise those options before the sublease expires in 2008. With regards to the rent, the $1000 is an administrative fee for Crowley staff to maintain and monitor the facility.

ACTION: Commissioner Hardeman moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor; Resolution No. 00-71 was adopted.

7. FACILITIES & OPERATIONS

A. Authorization to Award Contract No. 2665, "Pier 48 Interior Fire Damage Repair," to the lowest responsive bidder, LTM Construction Company Inc. (Resolution No. 00-56)

Alex Lee, Director of Facilities & Operations, presented the item and requested Commission's approval.

ACTION: Commissioner McCarthy moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 00-56 was adopted.

B. Authorization to execute a contract modification to Contract No. 2613 to include the Alternate Bid Item "New North Float" to the Downtown Ferry Terminal Project in an amount not to exceed $1,200,000. (Resolution No. 00-70)

Alex Lee, Director of Facilities & Operations, presented the item and requested Commission's approval. This project is funded completely with State and Federal Grants. Veronica Sanchez was successful in securing $1.75 million in federal funds for this project. The remaining funds will be from the California Transportation Commission Proposition 116 grant.

Marina Secchitano, Inland Boatmen Union, asked about the gangway system. She emphasized that the gangways should be light and ergonomically friendly. Mr. Lee indicated that staff will work with the ferry operators to have a gangway acceptable for the operation.

Veronica Sanchez, Governmental Affairs Manager, indicated that provisions have been incorporated in the design on this ramp.

John Davey, Chief Wharfinger, indicated that the design of the gangways and the approach ramps of the new float would be the same as what was incorporated in the older float. The new float would provide as a back-up and to provide the new facility with two new floats of the same manufacture date. They will be hydraulically driven so that the deck hands would not have to physically move the ramps. The ramps are made of aluminum and the design was approved in cooperation with all the operators and the IBU. The new design is similar in kind to what was developed for the China Basin Ferry Terminal as well as that of the South Terminal so that there would be a universal system that, if necessary, we would be able to dock vessels at both facilities.

Commissioner Brandon thanked Veronica Sanchez for securing the State & Federal funds for this project.

ACTION: Commissioner McWilliams moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 00-70 was adopted.

8. PLANNING & DEVELOPMENT

A. Resolution authorizing the Executive Director to retroactively apply for, accept and expend up to $481,000 from the Federal Highway Administration's Transportation Enhancement Activities Program (TEA 21) for the Embarcadero Promenade Pedestrian Improvements and the Historic Renovation of the Pier 43 Ferry Arch. (Resolution No. 00-66)

Veronica Sanchez, Manager Governmental Affairs, presented the item and requested Commission's approval.

Commissioner Brandon thanked Ms. Sanchez for her efforts in securing the necessary funding for the project.

ACTION: Commissioner McWilliams moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 00-66 was adopted.

B. Approval of Amendment to Leases with Hornblower Yachts, Inc. and Ferryboat Santa Rosa Partners, Ltd. at Pier 3. (Resolution No. 00-67)

Paul Osmundson, Director of Planning & Development, presented the item and requested Commission's approval.

Commissioner Lee asked about the total amount of rental credit. Mr. Osmundson replied that the estimated cost to repair the substructure at Pier 3 would be $8 million. The rent credits for berthing improvements are capped at $750,000 and for public access at $400,000 for a total of $1.15 million. The total rent credit would be in excess of $9 million but the tenant is allowed to take it for the entire term of the lease against half of the percentage rent owed.

Commissioner Brandon inquired about the increase of the rent credit for the berthing improvements from $500,000 to $750,000. Mr. Osmundson replied that their estimate for cost of improvements was due to the insurer of the facility. Mr. Joe Wyman, Hornblower Yachts, Inc., indicated that the cost has gone up because contractors are very difficult to obtain, let alone work on the project.

Commissioner Brandon inquired if there is a limit on the pier substructure that would be credited back to the Port, if the maximum rent credit will remain at $8 million and if the BCDC permits were secured for the project. Mr. Wyman indicated that the lease requires the tenant to develop a plan with a certified engineering firm, have the plan reviewed and approved by the Port's Engineering staff and at that time, a cost estimate will be provided. The upper cap established is $8 million, the latest estimate from Power Engineering to do the first pile, which amounts to $130 per sq. ft. It includes repair, seismic upgrade and shoring of the bulkhead buildings.

With regard to the possibility of the maximum rent credit of $8 million increasing, Mr. Wyman replied that they have had discussions with a few contractors who are looking at different repair techniques on the curated concrete and they might be able to bring the cost down. The tenant is interested in doing the project in the most economic fashion. The pier was built in 1920 and is in a bad shape. Deferred maintenance was not performed on the pier and the pier was originally built as a breakbulk facility. The tenant is not proposing to put breakbulk on the pier. They will repair the pier according to the uses that are allowed in the lease.

With regard to the BCDC permits, Mr. Wyman indicated that they have submitted an application for the amendments to the Design Review Board. They are scheduled to go back to the Design Review Board on September 11 for approval and BCDC will vote on the project in October.

Commissioner Brandon asked for an explanation of the two rent credits. Mr. Osmundson replied that there are two separate rent credits. The Hornblower is being granted rent credits for 100% of the cost to repair and correct deferred maintenance to the pier substructure, and 50% of the cost of berthing improvements and public access improvements. Santa Rosa is being granted rent credits for 100% of the cost to repair and correct deferred maintenance to the pier substructure and 50% of the cost of public access improvements. No rent credits are being granted for other improvements and fixtures.

Commissioner Brandon was concerned about the open-checkbook amount of the rent credits provided to the tenants. Mr. Osmundson replied that the rent credit for the Hornblower is capped at $8 million and cannot be changed without the Port's consent.

Commissioner Brandon asked about the cap on the Santa Rosa lease. Mr. Wyman indicated that the rent credits actually apply to both leases. The total cap on the substructure applies to both Ferryboat Santa Rosa and Pier 3.

Commissioner McCarthy made a motion for staff to seek Commission's approval if the rent credits exceed the $8 million cap. Commissioner McWilliams seconded the motion.

ACTION: Commissioner McCarthy moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 00-67 was adopted.

C. Approval of Amendments to the Request for Proposals for the Development and Lease of Piers 27-31 for a Mixed-Use Recreation Project. (Resolution No. 00-68)

Mr. Osmundson, Director of Planning & Development, indicated that this would be his last presentation before the Commission. He has been with the Port for more than eleven years and had the served the Executive Director and the Commission for the last 3-½ years as a deputy director. His tenure at the Port has been a tremendous experience and has enjoyed it immensely. He thanked the Executive Director and the Commission for the opportunity

Commissioner Brandon thanked Paul for everything that he has done for the Port. It will be a totally different place and there will be a void without him at the Port. He has done a fantastic job and he has worked well with the Commissioners, staff and the Executive Director.

Commissioner Lee also thanked Paul for all his work at the Port. As a 30-year San Francisco real estate broker and over two years as Port Commissioner, Commissioner Lee indicated that Paul is the only person that provides the Commission with a presentation that makes sense and knows what he's talking about. Paul Osmundson's departure is a great loss to the Port.

Curt Watts, Planning & Development Division, requested Commission's approval of the amendments to the request for proposals for the development and lease of Piers 27-

David Prowler, representing the Mills Corporation, a potential proposer for Piers 27/31, indicated that it is exciting to get a vision of what could be done at those piers. It is exciting to imagine all the people visiting the piers for the team sports, the recreational opportunities, the plaza, the restaurant, and the shops. However, the cap on 350 on-site parking caused some concerns. The parking issues at Piers 27/31 are different from the ballpark not just for the location and the transit access but also in what the intentions are for the piers. The intent is to be regional serving, accommodating team sports. It would be premature at this stage to set a cap on on-site parking. Nevertheless, he looked forward to the re-issuance of the RFP.

David Prowler praised Paul Osmundson. He, too, had the opportunity to work with Paul for a dozen years in the Mayor's office. It would be very difficult to think of another public servant working today for the City who has the level of esteem that people, no matter what side of the table, have for Paul.

Commissioner McCarthy was concerned about the approximation of allowed parking on the piers as it can become contentious during deliberations. Alec Bash, Waterfront Planner for Special Projects at the Port, indicated that the figure of approximately 350 was intended not to set an absolute but to give an approximation based upon a transportation consultant's estimate. It was based upon the anticipated short-term parking needs for a project of this nature within an area that is well served by transit. In keeping with the effort, the Port has to have parking on land rather than over the water-shared goals with Catellus and BCDC. Staff wanted to emphasize the short-term parking on the pier itself with employee parking on land. The short-term parking will be approximately 350 but it would not mean that a proposer that comes in above the cap would not be considered. The proposal states that the proposers will be considered against all of the objectives included in the RFP. The Northeast Waterfront Advisory Group, in considering this matter, was very concerned about not having too much parking on the site.

Commissioner McCarthy indicated that parking is going to be one of the major issues. In past RFP's, an approximate figure becomes a big issue. She suggested that a cap on parking be established or take out the word "approximately" and make it open-ended and define the term of parking. Mr. Bash indicated that within the City, the short-term parking would be considered four hours or less or all day employee commuter parking. Having some figure in the RFP would be helpful for a developer to know what is within the general ballpark that would be considered appropriate for the site. Commissioner McCarthy suggested changing approximately to not more than 350.

Commissioner McWilliams commented that there will be other opportunities for Commission's input of what will ultimately take shape. He agreed with Commissioner McCarthy about the inappropriateness of providing excessive parking on those piers.

Commissioner McCarthy asked for assurance that when staff interviews the bidders, it will be emphasized that parking will be within a specific range. Commissioner Brandon suggested keeping the figure within plus or minus 25.

With regard to Commissioner McCarthy's inquiry regarding reasonable vehicle access to and from the site, Mr. Bash mentioned that vehicle access and circulation is also incorporated in page 7 of the staff report as well as in the addendum to the staff report that was handed to the Commission.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; Resolution No. 00-68 was adopted.

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

Commissioner McWilliams acknowledged the members of the labor unions in the audience. He also announced the results of the recent ILWU elections. Jim Spinoza is the new president of the ILWU and Bob McEllrath is the Vice President.

Bill Nelson, ILWU Local 91 President, was dismayed at the Port's action of letting non-longshoremen unload rail cars and load barges at Pier 96. Sheedy was given a license or permission by the Port to work in an ILWU pier with non-ILWU labor. This has never happened before and he asked the Commission for an explanation.

Noreen Ambrose, Port's Legal Counsel, indicated that because this item is not on the calendar, the Commission, under the Brown Act, is not allowed to enter into discussion. The Commission can direct the Executive Director to have this item calendared for the next meeting or have the director meet with interested parties.

Commissioner McWilliams suggested that interested parties meet with the Port Director and appropriate Port staff tomorrow to discuss the issues at hand.

Commissioner Brandon directed Director Wong and appropriate staff to meet with interested parties regarding the Pier 96 issue and report back to the Commission.

Mary McMillan, Westar Marine Services, a woman owned business, indicated that her tug barge and water taxi company has been in operation since 1977. She has 65 employees and the vessel crew are members of the International Organization of Masters Mates and Pilots. The company was located at Pier 46 for 20 years. In 1997, they moved to Pier 50 to make room for Pac Bell Park. She opposed the building of a sports arena at Piers 48 and 50. Those piers are designated for Port priority use as a marine terminal in the Bay Plan and the Regional Seaport Plan. She urged the Commission to honor its commitment for maritime, and to look for another non-maritime designated facility on the Port for the sports arena.

Lawrence Thibeaux, ILWU Local 10, objected to taking Pier 48 and 50 out of maritime designation. The longshore workers are seeing the last remaining vestiges of what was one of the busiest maritime industries on the West Coast. The maritime industry is the infrastructure that made San Francisco the world-class city it is today. What remains now are open piers with limited shipping and maritime work, empty buildings and warehouses. The preliminary development concept put forth by the Port does not give any assurances of

continued maritime work. It appears that the Port has moved away from the maritime core towards one of office management, focusing on retail, tourism and restaurants. The Port of San Francisco appears to be running its own version of Santa Cruz boardwalk. This type of industry does not bring well-paying blue collar jobs. More emphasis needs to be placed on cargo, ship repair and industrial storage. Piers 48 and 50 are designated for maritime business; it is part of the Seaport Plan. There's enough amusement from Pier 45 to the ballpark. The line needs to be drawn at the bridge all the way down to the Hunter's Point. Maritime needs to be the major focus for the Port.

Mr. Thibeaux indicated that the Port provided Sheedy Crane a license to deliver pipe from Eaton Industries for Caltrans at Pier 96. That operation is in direct competition with the longshoremen. The Port gave another union the right to start loading and unloading cargo on the waterfront. He asked the Commission for an explanation.

Fred Pecker, ILWU, indicated that he left the last joint BCDC and Port Commission hearing mourning over the loss of work north of the bridge but was hopeful that the southern waterfront will be used for maritime industrial use. However, an article appeared in last week's paper stating that the Port wants to put another Disneyland feature on the waterfront. If that should happen, he indicated that the Port Commission should be abolished and be named Waterfront Commission instead. This should be a working waterfront. The Port has a responsibility and a commitment to the maritime industry. Sports facilities and attractions should not be placed on the waterfront; they belong in other parts of the City. The Port has spent time and energy maintaining its industrial maritime business and he applauded staff for their efforts. He asked the Commission to stand firm to make sure that the industrial part of the waterfront remains as is.

Mr. Pecker stated that to maintain a harmonious relationship they have enjoyed with the Port over the years, in terms of having the work go smoothly and the needs of employers and working people of San Francisco met, there needs to be support from the Port before licenses such as what was given to Sheedy are allowed to happen. Local 10 is the gateway union into the longshore unions in San Francisco and the Bay Area. ILWU has always worked hard to make sure that their union reflects their community.

Marina Secchitano, Inland Boatmen's Union, indicated that she attended the July 20 Joint BCDC and Port Commission hearing wherein the commissions adopted a plan with structural changes to the working waterfront that the ILWU and the Maritime Unions objected to. The goal of the Port is to provide maritime commerce. As a member of the advisory committee, she was proud to present to the committee her objections to the developments on the southern waterfront because she felt that the Port is committed to maritime commerce. The Commission is at the effect of the unions for the working waterfront. The unions are willing to work with the Port if the Port is committed to protecting the maritime business. If the Commission does not support the unions, there will be no working waterfront. She emphasized that the waterfront does not need another arena. There are real jobs on the waterfront that they don't want to lose to more real estate development.

With regard to the Pier 96 issue, they were informed that Sheedy hired non-union workers to off load materials for the Bay Bridge retrofit. Longshoremen should have done the work.

They were apparently given the wrong information. She asked the Commission to have staff provide the correct information when people ask permission to use those facilities. She informed the Commission that she would be interested in meeting and participating in the discussions about what took place at Pier 96 and to avoid any recurrence of the problem in the future.

Kenneth Levin, Business Director of the SF Bar Pilots, indicated that they have serious concerns about the use of the maritime property in this area. There is a 3–4% growth in the maritime industry in goods and services coming in to California. Yet in the San Francisco bay, it's a static situation. They are dealing with 100 billion dollars worth of transportation but will not realize any of it if the Port gives away the maritime properties. Ships need the water and he does want to see anymore business go to Los Angeles, Long Beach, Seattle or Tacoma. That will happen if the Port does not have a place for its maritime industry.

Capt. Ray Shipway, International Organization of Masters Mates and Pilots, indicated that they are concerned about the loss of any kind of facility on the waterfront. The facilities should be available for shipping, tugboat, or ferry boat operations on San Francisco Bay. They are trying to increase their tax base and keep working viable families in San Francisco. Mary McMillan has been chased out of Pier 46 to build a new stadium. That pier will no longer be available for shipping or commerce again. Ms. McMillan is faced with the same situation at Pier 50. Those facilities are viable and they should stay that way. The Commission made the commitment and should stand behind their commitment and keep those facilities open for the maritime industry.

Corinne Woods , Waterfront Neighbor, indicated that she's been surrounded with Pier 48, Pier 50 and the central waterfront issues for many years. The thought of a sports arena on a maritime pier when most of the parking that exists right now for PacBell Park is going to go away when Mission Bay is built out is appalling. Putting 20,000 people in the middle of not only a maritime working pier but a new planned community where there is going to be 30,000 people working adjacent to the water and another 12,000 residents is appalling. The quality of life for people who are going to be living and working at Mission Bay and the quality of life for the recreational boating community which is already impacted by PacBell Park are going to be very difficult. The commercial industrial group is opposed to this as well. She represents the Mission Bay people and the recreational boating community that wants this waterfront reserved for boating. A ballpark with bay views is one thing but it does not make sense to put a closed arena on the water. She asked the Commission to stand firm against the proposal.

Commissioner Brandon indicated that the Commission cannot comment on the Pier 48/50 issue but those parties interested in meeting with Port staff tomorrow regarding the Pier 96 issue should inform the Commission Secretary so a meeting could be set up.

Gunnar Lundeberg, President of the Sailors Union of the Pacific, echoed the comments from the ILWU representatives about the use of Pier 48 and 50. The Port of San Francisco run out US flag shipping many years ago. American President Lines used to be at Pier 50, then to Pier 80 and it eventually moved across the bay. Matson Navigation used to be at Pier 30/32 but went across the bay. The shipping lines moved across the bay because the Port of San Francisco does not know how to negotiate; it was due to the actions of the Port

Commission. The use of Pier 48/50 and southern waterfront is essential to keep maritime activity alive at the Port. He was outraged that Mr. Wong and the Mayor went to Dallas to discuss a sports arena on the waterfront. He asked the Commission to reject the sports arena plan when it is brought to the Commission for approval.

Dan Strazzullo, All Shores Seafood, indicated that when the Pier 45 problem was discussed at the last meeting, a lot of people attacked his character, his length of time in the fish business, his motives and hidden agenda. Mr. Strazzullo spoke about his family background and how they got started in the fishing industry. He does not have anything hidden about his agenda. His agenda is to find out why six out of 17 companies were able to build up to codes and 11 have not. His motive is to force his competitors to spend the same amount of money he spent on his facility or get them out. So far, inspections have been similar to a police officer pulling over a driver for drank driving, fining him drank, fining him with no license, fining him with no insurance and giving him a ticket for a faulty tail light. That's been going on at the Port. He will not stop until the problem is resolved. The matters he and Charlie brought up have not been proven wrong. Nothing has been proven wrong. The inspections have finally taken place but there still companies that are in various stages of compliance with the City, State and Building Code. There are still companies with only four walls, no bathrooms, no wash down facility and no hot water. He spent $250,000 to put in the minimum requirements for his facility but other companies have not spent anything.

Commissioner McCarthy asked the Executive Director about the plan to deal with the Pier 45 issues. Mr. Wong replied that he will provide a status report at the next meeting.

Commissioner Hardeman commented that he has served on different boards, committees and commissions. He echoed the statements about Paul and his ability. Paul is a very gifted person. There are some wonderful benefits in public service but there are also some negatives. One of which is you can't necessary pay a person of what he is worth. He does not know what Paul's motives are but he is sorry to see him go and wished him luck in his future endeavors.

Mr. Osmundson thanked the following individuals who were responsible for his success: Anne Cook, Noreen Ambrose, and everybody that works for the Port.

Commissioner McCarthy indicated that before Paul came on board, the Planning & Development was a disorganized division and did not function professionally. Besides being a really nice guy and gets along with everyone, Paul stepped in at a crucial time and put together a talented staff. She thanked him for all his efforts.

11. EXECUTIVE SESSION

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

At 5:45 p.m., the Commission withdrew to executive session to discuss the following:

(1) Discussion of the Executive Director's compensation for FY 2001/2002.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTER:

a. Discuss existing litigation matter pursuant to subdivision (a) of the California Government Code Section 54956.9 (one case):
X As Defendant __ As Plaintiff

Alioto Fish Company vs. CCSF, et. al., Superior Court No. 306-391

(3) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8.
This session is closed to any non-City/Port representative. *

a. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Douglas F. Wong, Executive Director
*Municipal Railway: David Esparaza
This item was taken off calendar

b. Property: Port Property located at Pier 50
Person Negotiating: Port of San Francisco: Douglas F. Wong, Executive Director
*NBC Container: Bill Pinto, Sr.

c. Property: Bryant Street Pier Project
Person Negotiating: Port of San Francisco: Anne Cook, Waterfront Development Project Manager
*Lend Lease: Glenn Elkington

d. Property: Ferry Building
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Wilson Cornerstone: Chris Meany

e. Property: Seawall Lot 347S
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Gap: Kevin Salliday

f. Property: Port Property located at SWL 337
Person Negotiating: Port of San Francisco: Theresa Picon, Director of Real Estate
*China Basin Ballpark Company: Jack Bair
This item was taken off calendar

g. Property: Port Property located at Pier 50
Person Negotiating: Port of San Francisco: Theresa Picon, Director of Real Estate
*Jelly's-A Dance Café: Ricci Cornell

h. Property: Pier 29
Person Negotiating: Port of San Francisco: Theresa Picon, Director of Real Estate
*Economic Opportunity Council of San Francisco: Betty White

At 8:37 p.m., Commissioners Brandon, McWilliams, McCarthy, Hardeman and Lee returned from executive session and convened in open session.

ACTION: Commissioner McWilliams moved approval to not disclose any information discussed in executive session. Commissioner Lee seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 8:38 p.m.

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Special

SAN FRANCISCO
PORT COMMISSION

SPECIAL MEETING
8:30 A.M., MONDAY, AUGUST 28 , 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

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AGENDA

1. **ROLL CALL**

2. **NEW BUSINESS / PUBLIC COMMENT**

   Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

3. **EXECUTIVE SESSION**

   A. Vote on whether to hold closed session to confer with Legal Counsel.

   B. Closed Session

      (1) PUBLIC EMPLOYEE APPOINTMENT – This is specifically authorized under California Government Code Section 54957.

         a. Confirmation of Appointment of the Port's Chief of Operations.

4. **RECONVENE IN OPEN SESSION**

   A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

   B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

5. **ADJOURNMENT**

AUGUST /SEPTEMBER 2000

CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
August 28	8:30 a.m.	Port Commission	Port Commission Room
(Special)			Ferry Building
September 12	4:00 p.m.	Port Commission	Port Commission Room
(Cancelled)			Ferry Building
September 19	4:00 p.m.	Port Commission	Port Commission Room
(Special)			Ferry Building
September 26	4:00 p.m.	Port Commission	Port Commission Room
(Cancelled)			Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47, Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Fisherman's Wharf Waterfront Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Liz Fitzgerald	274-0400

ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

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SAN FRANCISCO PORT COMMISSION

AUGUST 28, 2000 MINUTES
OF THE SPECIAL MEETING

MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
8:30 A.M., MONDAY, AUGUST 28, 2000

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 8:40 a.m. The following Commissioners were present: Kimberly Brandon, Brian McWilliams, Michael Hardeman and Pius Lee. Commissioner Denise McCarthy was not present.

2. NEW BUSINESS / PUBLIC COMMENT

Stephanie Cincotta, representing Alioto-Lazio, asked the Commission to give them extra time to work with the Port since they knew nothing about the condition of their building prior to last week. They would like extra time to try to save Fish Alley and their company.

Bob Moore, representing the Cincotta family, indicated that the electricity at the facility will be shut off this Wednesday. He asked the Commission to give them time to have an independent review of the facility. Since this is the first time they were apprised of the problem at Fish Alley, he asked the Commission for an opportunity to address the issues. He asked the Commission to give them 30 days to find a solution to the problem.

Harold Hoogasian, a native San Franciscan, indicated that he has known the Cincotta family for many years. A thirty-day period is not enough time to get the work done. He suggested that the Commission provide the Cincotta family at least 90 days to come up with a solution. The Port spent a lot of money beautifying the Embarcadero Roadway but nothing has been done for the Fish Alley.

Mike De Nunzio indicated that as a businessman, he has great interest in the quality of life in the City. He asked the Commission to grant the Cincotta family at least 90 days to address the issues at fish alley.

Charlie Akwa, a Port tenant, indicated that this is one more example that Port staff is addressing its own agenda without notifying tenants. At a meeting held last week regarding Pier 45, Port staff indicated that the Port does not have any money to comply with ADA rules. She wondered where the Port got its money for the structural engineer who inspected the fish alley. She claimed that Port staff is addressing its own agenda.

Commissioner Brandon directed Executive Director Wong and Mrs. Cincotta to set up a meeting to discuss the problem.

Commissioner Lee asked if the Commission could extend to the tenant a period of 90 days to address the problem. Commissioner Brandon replied that the Commission could not grant such accommodation at this time because the Commission does not have all the necessary information or documentation to make that decision.

Commissioner Lee indicated that after reading last week's article on fish alley, he visited the area and found that the condition of the wharf is not much different from the adjacent property. He suggested that the tenant be given a chance to have an independent structural engineer inspect the area. He questioned the Executive Director's recommendation with regard to the structural condition of the wharf. He strongly recommended that the Executive Director grant the tenants 90 days to come up with a solution. A 3-day notice to vacate is only given in extreme emergency such as natural disasters. It is unfair to give the tenants a 3-day notice to vacate. He indicated that this type of situation should have been handled a long time ago and there should be a regular inspection of the buildings. He urged staff to work with the tenants and take good care of the tenants since the Port depends on commercial income. Seventy Nine Percent of the Port's income comes from commercial tenants. The Port, in turn, spends 70% of its income on Port's expenses. He asked the Executive Director to justify the amount of money expended on maintaining the buildings.

Commissioner Brandon suggested that the Executive Director and the Cincotta family schedule a meeting to continue to discuss the matter. The Port, in no way, would like to take the property away from the tenant. The Port is concerned about public safety and will ensure that everyone works together to get the facility in a safe condition in order for the tenant to continue its business.

3. EXECUTIVE SESSION

ACTION: Commissioner Hardeman moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor.

At 8:55 a.m., the Commission withdrew to executive session to discuss the following:

PUBLIC EMPLOYEE APPOINTMENT – This is specifically authorized under California Government Code Section 54957.

a. Confirmation of Appointment of the Port's Chief of Operations.

At 9:24 a.m. Commissioners Brandon, McWilliams, McCarthy, Hardeman and Lee returned from executive session and convened in open session.

ACTION: Commissioner McWilliams moved approval to disclose information discussed in executive session. Commissioner Hardeman seconded the motion.

Commissioner McWilliams reported that the Commission confirmed the appointment of Karen Clopton to the Chief of Operations position at the Port.

The meeting was adjourned at 9:24 a.m.